TRANSFORMING FARMERS AND COOPERATIVES UNDER NEOLIBERALISM: THE CASE OF SUGAR BEET PRODUCTION IN KONYA, TURKEY

by

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ABSTRACT

This thesis discusses neoliberal transformations in Turkish agriculture through a case study on sugar beet production in Konya. In contrast to the declining importance of sugar beet production in many rural communities in Turkey, beet cultivation has increased in Konya in the wake of the neoliberal restructuring of the sugar sector in Turkey in the 2000s. This increase is attributed to the "successful" adjustment of the beet producers' cooperatives in the region to the reforms. This study takes a critical stance toward the role of the cooperatives in such "successful" cases and discusses the changing role of farmers and cooperatives under the impact of the neoliberal/corporate food regime. On the basis of fieldwork conducted in the Arıkören village in Konya's Çumra District, I first show how a precarious market structure has turned farming into a form of gambling with deepening commodification and corporatization processes. Second, I discuss the predicaments of farmers who have to operate in new markets. Particularly, my study demonstrates how farmers become "calculative bodies" who are compelled to be self-managed individuals and risk-bearers under precarious agrarian relations. In such a market setting, I argue that sugar beet production emerges as a new production model that allows farmers to continue producing. In this context, I explore the leading role of the Konya Sugar Processing Company in agro-industry on the basis of this organization's amalgam structure containing the features of both cooperative and corporation and the contractual relation that it has established with farmers. My study shows that the impacts of neoliberal transformations in agriculture cannot be fully grasped through macro approaches; these transformations create new agricultural relations and that we need ethnographic case studies in order to understand how the formation of new markets impact upon people on the ground.

Keywords: corporate/neoliberal food regime, social studies of markets, contract farming, sugar beets, cooperatives, Turkey

ÖZET

Bu çalışma Türkiye tarımında yaşanan neoliberal dönüşümleri Konya'daki şeker pancarı üretimi örneği üzerinden inceliyor. Şeker pancarı üretimi, Türkiye'deki birçok kırsal yörede önemini yitirirken, 2000'li yıllarda şeker sektöründe yaşanan neoliberal yeniden yapılanmaların ardından pancar ekimi Konya'da artış gösterdi. Bu artış, bölgedeki şeker pancarı üretici kooperatiflerinin reformlara "başarılı" şekilde uyum sağlamasına dayandırılmaktadır. Bu çalışma bu gibi "başarılı" örneklerde kooperatiflerin rolüne karşı eleştirel yaklaşmakta ve neoliberal/kurumsal gıda rejimi etkisi altında çiftçilerin ve kooperatiflerin değişen rollerini tartışmaktadır. Konya'nın Çumra bölgesinde yer alan Arıkören köyünde yaptığım saha çalışmasına dayanarak, ilk olarak, istikrarsız piyasa yapısının derinleşen metalaşma ve şirketleşme süreçleri ile çiftçiliği nasıl da bir tür kumar oyununa dönüştürdüğünü açıklıyorum. Ardından, yeni piyasalarda etkinlik göstermek durumunda kalan köylülerin içinde bulundukları çıkmazları, zor durumları tartışıyorum. Bu çalışma, özellikle, istikrarsız tarım ilişkileri çerçevesinde "kendini yöneten bireyler" ve "risk taşıyıcılar" olmaya zorlanan çiftçilerin nasıl "hesap yapan bedenlere" dönüştüğünü gösteriyor. Böylesi bir piyasa ortamında, şeker pancarı üretiminin çiftçilerin üretime devam etmelerini sağlayan yeni bir üretim modeli olarak ortaya çıktığını öne sürüyorum. Bu bağlamda, daha önceden devlet kuruluşu olan Konya Şeker Fabrikasının tarım endüstrisinde oynadığı öncü rolü, kurumun şirket ve kooperatif özelliklerini birlikte barındıran yeni amalgam yapısı ve çiftçiler ile kurduğu sözleşmeli ilişkiler üzerinden inceliyorum. Çalışmam, tarımdaki neoliberal dönüşümlerin etkisini anlamak için makro yaklaşımların yetersiz olduğunu ve bu dönüşümlerin doğurduğu yeni tarım ilişkilerini kavramak için yeni piyasaların oluşumunun insanları yerelde nasıl etkilediğine odaklanan etnografik örnek olay incelemeleri yapılması gerektiğini göstermektedir.

Anahtar kelimeler: kurumsal/neoliberal gıda rejimi, piyasalar, sözleşmeli tarım, şeker pancarı, kooperatifler, Türkiye

Bilge tarımcılık için güzel yürekleri ile mücadele eden dostlara

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LIST OF ABBREVIATIONS

AKP	Adalet ve Kalkınma Partisi (Justice and Development Party)
AoA	Agreement on Agriculture
ARIP	Agriculture Reform Implementation Program
ASCs	Agricultural Sales Cooperatives
CSOs	Civil Society Organizations
ÇİFTÇİ-SEN	Çiftçi Sendikaları Konfedarasyonu (Confederation of Farmer Unions)
ÇUKOBİRLİK	Çukurova Pamuk, Yerfıstığı ve Yağlı Tohumlar Tarım Satış Kooperatifleri Birliği (Cotton, Peanuts, Oil Seeds Agricultural Sales Cooperatives Union)
DP	Demokrat Parti (Democratic Party)
EBK	Et ve Balık Kurumu (Meat and Fish Institution)
ERL	Economic Reform Loan
EU	European Union
FAO	Food and Agriculture Organization
FİSKOBİRLİK	Fındık Satış Kooperatifleri Birliği (Hazelnut Agricultural Sales Cooperatives Union)
GDP	Gross Domestic Product
GNP	Gross National Product
IMF	International Monetary Fund
ISI	Import Substitution Industrilization
MARA	Ministry of Agriculture and Rural Affairs
OECD	Organization for Economic Co-operation and Development
ORÜS	Orman Ürünleri Sanayii A.Ş. Genel Müdürlüğü (Forest Products Industry)
PANKOBİRLİK	Pancar Ekicileri Kooperatifleri Birliği (Union of Beet Producers' Cooperatives)
PCP	Petty Commodity Production
SAPs	Structural Adjustment Policies
SEEs	State Economic Enterprises
SEK	Süt Endüstrisi Kurumu (Institution of Milk Industry)
SES	Socioeconomic Status
TARİŞ	İncir, Üzüm, Pamuk ve Yağlı Tohumlar Tarım Satış Kooperatifleri Birlikleri (Figs, Raisins, Cotton and Oil Seeds Agricultural Sales Cooperatives Union)
TEDAŞ	Türkiye Elektrik Dağıtım A. Ş. (Turkish Electricity Distribution I. C.)
TEKEL	Tütün, Tütün Mamülleri, Tuz ve Alkol İşletmeleri Genel Müdürlüğü (General Directorate of Tobacco, Tobacco Products, Salt and Alcohol Businesses)
TİGEM	Türkiye Tarım İşletmeleri Genel Müdürlüğü (Turkish General Directorate of Agricultural Enterprises)
TMO	Toprak Mahsulleri Ofisi (Soil Products Office)
TNCs	Transnational Corporations
TŞFAŞ	Türkiye Şeker Fabrikaları A.Ş. (Turkey's Sugar Factories I.C.)
TÜGSAŞ	Türkiye Gübre Sanayii A.Ş. (Turkish Fertilizer Industry I. C.)

TÜİK	Türkiye İstatistik Kurumu (Turkish Statistical Institute)
TZDAŞ	Türkiye Zirai Donatım Kurumu A.Ş. (Turkish Agricultural Equipment Institution I. C.)
UASCs	Unions of Agricultural Sales Cooperatives
VAT	Value Added Tax
WB	World Bank
WTO	World Trade Organization
YEMSAN	Yem Sanayii Türk A. Ş. (Turkish Feed Industry I.C.)

INTRODUCTION

1. Statement of the Problem and Research Objectives

The figure on the right is the cover of a declaration that was prepared by the Confederation of Farmer Unions (*Çiftçi Sendikaları Konfederasyonu*, Çiftçi-Sen) just before the July 2007 national elections to address the problems in Turkey's agrifood sector. This declaration criticizes previous governments' agricultural policies by stating, as it is provocatively written on the cover, that "IMF asks, the governments do: Every 50 seconds, a farmer goes bankrupt [in Turkey]." Since the publication of this document, almost 4 years have passed. It would not be wrong to claim that many of the same problems, such as the deterioration in the livelihoods of farmers (e.g. with increasing production costs), falling production (e.g. of tobacco and sugar beets), and ecological degradation (e.g. loss of biodiversity), are still with us, perhaps even aggravated.

Figure 1 **Every 50 seconds, a farmer goes banktrupt (Çiftçi-Sen, 2007).**

From a different standpoint, Turkish Minister of Agriculture Mehmet Mehdi Eker, during his 2010 budget presentation speech, also underlined existing problems in agriculture by referring to the worldwide drought in 2007 and 2008, hikes in food and oil prices, changes in consumption patterns and the use of agricultural products to produce energy (Eker, 2010). While Eker argued that Turkish agriculture has become the world's 8th largest despite the world food crisis, and is globally competitive thanks to state policies that replaced self-sufficiency with production for world markets, Çiftçi-Sen is critical of the effects of state policies that have subordinated farmers to global markets. These two positions, although both

speaking about the impact of globalization on Turkish agriculture, have diametrically opposite assessments. My concern in this thesis is how such processes affect actual farmers.

This thesis discusses neoliberal transformations in Turkish agriculture through a case study on sugar beet production in Konya. Sugar and sugar beet production in Turkey, which was a significant force in agricultural and industrial development in the early years of the Republic, seems to have lost that importance in the last decade. A number of studies in Turkey show that sugar beet production has lost its position in Turkish agriculture after the recent launch of neoliberal regulations in the sugar sector (Aydın, 2005; Borlu, 2009; İslamoğlu et al., 2008; Ünal, 2009).[1] Yet, beet production continues to be important in some regions such as Konya and Kayseri. İslamoğlu et al. (2008) interpret this different trend in Konya's Çumra district as the successful adjustment carried out by beet producers' cooperatives. My study employs a critical stance toward the role of the cooperatives in such "successful" cases by going beyond economic indicators such as increasing production. I analyze beet production in the Çumra district of Konya with a focus on the changing role of farmers and cooperatives under the neoliberal reconfiguration of agrifood sector. This analysis is based on fieldwork I conducted in Çumra's Arıkören village in July 2009 and March 2010, and it raises the following research questions:

1. What kind of a market structure has emerged in Arıkören village since the 2000s under neoliberal policies which has led to an increase in beet production?

2. How has this market structure affected farmers' economic situation and activities?

I seek to describe the market structure that has been created within the neoliberal reconfiguration of agriculture in Turkey through the case of sugar beets. By looking at the

[1] For a detailed discussion, see: İslamoğlu et al. (2008).

deepening commodification and corporatization processes in Turkish agriculture, I aim to show how a precarious market structure full of uncertainties and risks has turned farming into a form of gambling. Another goal is to discuss how farmers make their production and marketing decisions in this game. I argue that farmers are increasingly subordinated to market relations as calculative agents who are induced to be self-managed individuals and risk-bearers. They develop various strategies to continue producing under the precariousness of agricultural production. On the basis of my fieldwork, I argue that beet production has increased in Konya by the very hand of neoliberal policies that have strengthened a number of agribusinesses, among which Konya Şeker (Konya Sugar Processing Company) organized as a cooperative structure appears as an outstanding actor. I question to what extent the contractual relations that farmers established with this company in beet production will enable them to continue farming by discussing how cooperatives that were under state control have turned into free-market actors, and how this transformation has subordinated farmers through ties of credit and debt.

The findings of such an analysis will give a sense about neoliberal transformations in Turkish agriculture with a focus on marketization processes in agriculture, which increases the power of agribusiness at the same time that it makes agricultural producers more dependent on markets. Thus, the empirical findings of this study can be generalizable to the extent that it shows the predicaments of farmers who have to operate in new markets. These are not dispossessed peasants, in contrast to the trend in other parts of Turkey's countryside, where the proletarianization process is ongoing (Keyder & Yenal, forthcoming; cf. İslamoğlu et al., 2008).

My particular interest in transformations in Turkish agriculture since the 2000s has evolved out of the discussions on agriculture and the food crisis. For the first time in world history, in 2008, "farmers ceased to be the largest working population on earth" and

"constitute 33.5 percent of the world's working population, whereas service sector employees and industrial workers represent 43.3 and 23.2 percent, respectively, of the global working class" (ILO, 2009 as cited in Adaman & Çalışkan, 2010). Clearly, such changes are not independent of the nature of the capitalist system; neoliberalism has affected agrifood relations which are reflected in many problems, some of which maybe most irreversible such as ecological ones (e.g. Akram-Lodhi & Kay, 2009; Araghi, 2009).

The changes in Turkey's countryside have been studied since the 1950s. The main problem informing rural studies in Turkey was the transformations in agriculture parallel to the developments in global and national capitalist economic relations. Until the 1990s, rural studies in Turkey dealt with classical agrarian questions such as the ways in which the surplus produced in agriculture was appropriated, the extent to which capitalist relations emerged in agriculture, by whom and how land, labor and other means of production were controlled. Accordingly, the question whether the peasantry would differentiate into a rural proletariat and a bourgeoisie, or whether peasants would always resist differentiation was debated. Yet, the emergence of new capitalist relations in agriculture especially since the 2000s when neoliberal agricultural policies have gained momentum started to occupy research agendas of social scientists. As Araghi (2000) argues, the peasantry question has transformed and differentiated into a number of interrelated questions such as the informal workers question, the migrant question, the green question, and the indigenous/landless question; and these issues are also echoed in the works of social scientists in Turkey (e.g. see Sönmez, 2008). Yet, however we label the new problems in agriculture, the agrarian/peasant question continues to be about capital and labor relations, but it is necessary to consider this question within the new world historical conjuncture of financialization, neoliberalism and the corporate food regime (McMichael, 2009b). Following McMichael's approach to capital as a relation of production and circulation, my aim in this study is to analyze the transformations in Turkey's

agricultural production processes within the framework of the neoliberal/corporate food regime.

The 1980s marked an important turning point in the Turkish economy. The period that started with the implementation of the well-known January 24, 1980 Decisions under the Turgut Özal government have integrated Turkey into international capital accumulation processes. The agriculture sector was also affected by this process. Yet, the policies implemented in Turkish agriculture between the 1980s and the 2000s can be considered as a slow but gradual shift from state intervention to a "free market" economy (Aydın, 2002, p. 183). Significant reforms were undertaken in the agriculture sector, especially after Turkey signed the Agreement on Agriculture (AoA) of the World Trade Organization (WTO) in 1995. This binding document requires the removal of tariffs against imported agricultural products as well as the elimination of state support policies for agriculture (Kayaalp, 2007, p. 75). Further, by the December 1999 letter of intent that was submitted to the IMF, the Turkish government promised to abolish subsidies given to farmers and their organizations as well as privatizing and commercializing public assets in agriculture and related activities (Aydın, 2005, p. 160). In line with these promises, in June 2000, Turkey signed the Economic Reform Loan (ERL) Agreement with the World Bank (WB), and this constituted a framework for the Turkish government's "2001 Economic Reform Program" that included extensive reforms in the agriculture sector (Aydın, 2005; BSB, 2008; Boratav, 2009). In 2001, Turkey signed the Agricultural Reform Implementation Project (ARIP) with the WB, which was carried out until 2008, whereby the Bank monitored the execution of pledges made by the ERL agreement (Aydın, 2005; Oyan, 2009). These developments in terms of opening Turkish agriculture to world markets and diminishing the control of state in the agriculture sector have been fortified by the Agriculture Law passed in 2006 (Tarım Kanunu, 2006) and other significant legal regulations, or deregulations, that concern many issues in the agrifood sector from the

functioning of cooperatives to the tobacco and sugar sectors in Turkey. One of the claims regarding these legal efforts is that the agricultural policies are in line with the international demands that foster the neoliberalization of Turkish agriculture (Aydın, 2010; Aysu, 2008; BSB, 2006; Günaydın, 2009). Then, what do we mean by the neoliberalization of agriculture?

Following Harvey's (2005) approach to neoliberalism as a class-based project that re-establishes the conditions for capital accumulation, neoliberalization of agriculture can be described as the opening of new fields to capital through the main features of the neoliberal project such as corporatization, commodification and privatization of previously public assets (p. 160). This approach explores the implications of neoliberal policies that have been implemented by the state, and have produced a regulatory framework that advantages specific interests (e.g. agribusiness) and corporations (Brenner, Peck, Theodore, 2010; Guthman, 2008; Wilshusen, 2010). This line of inquiry on neoliberal processes and relations necessitates an understanding of transformations/changes in both agricultural production and circulation processes as well as agricultural relations among different actors that are involved in these processes.

2. Research Methodology

This study is based on an analysis of primary and secondary data sources on agriculture in Turkey and a case study of an agricultural rural community in Konya province. For the case study, I conducted ethnographic fieldwork in the Arıkören village in June 2009 and March 2010 that consisted of 20 in-depth interviews with male farmers and observation of farming activities. In addition, I conducted seven interviews with local state officials and civil society organization representatives in the provincial center of Konya. I also collected published data on agriculture in Konya. Ethnographic research provides a suitable research design for describing changes in a rural community in the 2000s and analyzing this process through the viewpoints of the actors who are directly involved in it. Using the ethnographic

method is also important given that there is extensive macro-level research on neoliberalization of agriculture in Turkey but not enough micro-level studies on the transformations in the countryside.

1. *Review of scholarly literature:*

First, I analyzed secondary sources on the neoliberalization of agriculture at the global and national levels. Specifically, a critical review of the scholarly literatures on the Agrarian Question, food regimes and marketization studies allowed me to shape the conceptual framework of this study. Examination of empirical studies on different rural areas, especially on contract farming, helped me understand new agricultural production relations. I then reviewed rural studies on Turkey. Not satisfied with macro-level analyses in this literature, I shifted my attention to detailed micro-level studies (e.g. İslamoğlu et al., 2008). Of particular interest for me was İslamoğlu et al.'s (2008) study based on seven different crops in which they focus on both cases of declining agricultural production in the face of neoliberal reforms and cases which seem to have benefited from the reform process. In their study, sugar beet production in Konya's Çumra District under a cooperative structure was discussed as a "success" case.

2. *Analysis of published materials:*

Primary sources used in this study include statistics as well as laws that were enacted by the Turkish state. I use statistical data to show the changes in agriculture's share in the Turkish economy, changes in rural population and employment, the number of crops that are supported by the state, production levels of crops in Konya. I also examine several laws to explore neoliberal policies in agriculture, especially in the sugar sector and in cooperative structures. I also examine a number of magazines published by Pankobirlik and Konya Şeker (*Toprağın Tadı*).

3. *Fieldwork:*

I conducted fieldwork in the Arıkören village in Çumra. The fact that I had relatives living in this village was a significant factor in my selection of this village. After entering into the research field, I also realized that the selection of this village to conduct fieldwork was a good choice: it is neither one of the central villages that has the highest level of income per capita (e.g. Okçu village), nor a peripheral one like mountain villages where subsistence form of agriculture is dominant (e.g. Çiçekköy village). The main cash crops cultivated in Arıkören are sugar beets, maize and wheat; the total cultivated area is 25,000 *dönüm*[2] and there are 250 to 300 households in the village.

I visited the village twice in June 2009 and in March 2010. I stayed in the village for a month during my first visit. I first acquainted myself with villagers through informal chats with women in their houses and men in the village coffeehouse (*kahve*). I realized that the construction of a new sugar factory in this region Çumra Şeker (Çumra Sugar Integrated Facilities) by Konya Şeker (Konya Sugar) as a cooperative had a big impact in this locality. Farmers often talked about Pankobirlik (The Union of Beet Growers' Cooperatives) and its president Recep Konuk, who was also the manager of Konya Şeker and who has played an important role in the construction of Çumra Şeker. I decided that through interviews I should collect detailed information on the role of Pankobirlik in this community. I then conducted 15 semi-structured in depth interviews with male farmers who all produced beets. These men differed in terms of age and the size of their land holdings. I tape-recorded all interviews after getting informed consent from the respondents. My interview questions pertained to the following issues: changes in the economic situation of households, additional income sources, property ownership, cultivated crops, input use, contractual relations with

[2] 1 *dönüm* equals 2,500 m^2.

national/international companies, cooperatives membership, questions about beet production process, and relations with Pankobirlik (See Appendix 1).

I also wanted to conduct in-depth interviews with women about how they perceive changes in the last decade in their own locality. Although it could have been easier for me to reach women (due to my gender and the time I spent with them), many of them rejected to be interviewed by saying "what can we really know!" (*biz ne bilebiliriz ki!*). Since I had already conducted a number of interviews with men before them, they did not want to get involved in talking about similar issues. I tried to persuade them by saying that I would ask different questions, but they still rejected. The lack of interviews with women puts some limitations on my research; I could not explore the changes in agricultural production from the perspective of women. Nevertheless, I use my observations and fieldwork notes when discussing female peasants' involvement in production processes.

I also conducted an interview with the mayor of Arıkören[3] to get information about agricultural change in the village and information on the number of households and the total cultivated area. I also visited Çumra Şeker, the sugar processing factory. There, I conducted an interview with one of the managers of the factory to get information about production activities and beet processing.

I returned to Konya for more fieldwork in March 17, 2010. This time I stayed in the provincial center for a couple of weeks. There, I attended the 8th Konya Agriculture, Animal Husbandry and Dairy Industry Fair, which was held between March 17 and 21, 2010. At the fair, I interviewed a civil society representative and an agricultural economist. I also followed opening speeches. Overall the fair helped me understand the significance of agriculture in Konya's economy.

[3] Arıkören became a municipality in the last local elections, but it is still referred to as a village of Çumra among its inhabitants.

In Konya, I conducted three other interviews: two of them were with the representative of the Konya Provincial Directorate of Agriculture, and the other was with a representative of the Konya Exchange of Commerce (*Konya Ticaret Borsası*). I collected data and information about agriculture in Konya province, and specifically on Çumra district, through these interviews. I then revisited Arıkören village and conducted an additional five semi-structured interviews with farmers. The breakdown among the total of 20 farmers whom I interviewed is as follows: Four people under the age of 40, twelve people between the ages of 40 and 60, and four people above the age of 60. Among these respondents, three people cultivate land under 40 *dönüm*, 14 people between 40-200 *dönüm*, and three people above 200 *dönüm*.

I used the qualitative data analysis software (Atlas.ti) to analyze the interviews by coding the transcriptions. I constructed the codes using the farmers' own interpretations. I then sought to make sense of this information in light of the conceptual framework I constructed.

My volunteer work for the Confederation of Farmer Unions (Çiftçi-Sen) also contributed indirectly to my thesis research. I attended the "Capacity Building Program: Rural Employment, Climate Change and Energy Use" that was organized by the Heinrich Böll Foundation (Brussels, February, 9-13, 2009), and the European FAO-Civil Society Consultation (Yerevan, May, 10-11. 2010) as a Çiftçi-Sen volunteer. My observation in these meetings contributed to this study in terms of understanding the changing role of the state and the rise of civil society organizations in agriculture.

3. Outline of the Study

In the first chapter, I review the literatures on the agrarian/peasantry question, food regimes, contract farming, marketization studies and rural studies in Turkey. Through exploring the Agrarian Question, I discuss classical studies that informed the debate on agrarian transformation regarding peasant differentiation and class struggle. I also mention the

contemporary debate on the relevance of the classical agrarian question. The review shows us that we should go beyond path-dependent arguments according to which rural capitalism is perceived as inevitable or farmers' propensity to move towards markets is taken for granted, and that we should raise questions like how new markets have been established in rural areas and how farmers have become integrated into them. I then use the food regimes literature to understand macro-historical developments in agriculture. Particularly, I employ McMichael's (2009a, 2009b) notion of corporate food regime as a conceptual tool to understand agrarian relations. As a case showing the operation of the corporate food regime, I review the literature on contract farming, which has become a dominant form of production under the neoliberalization of agriculture. Considering that sugar beet production is carried out through contractual relations in Turkey, the literature on contract farming informs this study to a significant extent. I then introduce marketization studies as a theoretical tool to make sense of the creation of new markets and farmers' integration into them. Specifically, I propose to conceptualize markets as socio-technical constructs and farmers as calculative agents (Callon, 1998). The first chapter closes with a review of rural studies in Turkey.

The second chapter provides a macro-level analysis of the neoliberal reconfiguration of agriculture in Turkey. It starts with an overview of Turkish agriculture before the 1980s. It then discusses integration of Turkish agriculture into international capital accumulation processes, especially with reference to the reforms carried out after Turkey signed the Agreement on Agriculture (AoA) of the World Trade Organization (WTO). Accordingly, I discuss the Agriculture Law that was enacted in 2006 by the government as a "constitution for the sector." I then analyze data on the share of agriculture in Turkey's economy, the changing proportion of rural population, rural employment and total arable land. All these changes show us the declining role of agriculture in Turkey. Yet, here, I also underline that agriculture still has an importance in Turkey's economy considering that the agriculture sector is a major

employer, representing 25% of the workforce. I then discuss the changing role of the state and cooperatives in agriculture (i.e., the changes in support policies and the privatization of agricultural enterprises), and the rise of contract farming and transnational corporations. This discussion is supported by statistics showing the change in the number of crops that are supported by the state as well as specific legal regulations, for example the Union of Agriculture Sales Cooperatives (UASCs) Law which deregulates the cooperative sector in Turkey. This is followed by an analysis of transformations in the sugar sector and beet production as well as the changing role of Pankobirlik. Drawing on primary and secondary sources, I show the overall change in Turkey's sugar sector and point out the different trends in some geographical regions in Turkey, such as in Konya, where beet production has increased under the neoliberalization of agriculture.

In the third chapter, I analyze the findings of my fieldwork. This chapter is divided into three main sections. After presenting the methodology of my case study, in the first section, I provide information about agriculture in the province of Konya and in its district Çumra where Arıkören village is located; this is the area that I conducted my fieldwork research. In this discussion, I focus on the rise of Konya Şeker within the context of the industrialization process in Konya, and the establishment of Çumra Şeker in 2004, which is the most modern sugar factory in Turkey. The activities of these institutions are important for this study, since they shape agrifood sector in this locality. In the second section of this chapter, I tell the story of agrarian change in Arıkören through the narratives of beet growers. The discussion here is significant for understanding the market structure under which beet production has increased. Through the examination of the changes in production patterns, transnational/national capital structures and rural households' livelihoods, this section discusses the deepening commodification and corporatization processes in Arıkören. On the basis of the farmers' own assessments, I argue that farming turns into a form of gambling in

an environment full of market uncertainties, and at the same time, farmers develop a number of strategies to be able to continue farming. My research's contribution to the existing literature on neoliberalization of agriculture appears in the last section of this chapter, with a detailed analysis of the beet production process, which is the highest income generating activity in Arıkören village. The analysis of beet production processes and relations shows how in an environment where farmers' economic situation increasingly deteriorates, producers generate considerable income from beets. I discuss the contractual beet production in terms of the conditions required to start production, the process of production, and sales process. I conclude this section by arguing that the contractual form of beet production ~~is like a social glue~~ keeps farmers in their village: farmers benefit from contract farming since the contractor not only acts as a buyer and processor of beets, but also supports farmers beyond beet production through welfare provision such as advance payments. As such, I argue that Konya Şeker has become an amalgam structure under neoliberalism embodying aspects of both a cooperative and a profit-oriented company. Yet, to what extent this relation will continue to protect them from market uncertainties is uncertain, considering farmers' increasing subordination in this relation as well as their exclusion from the Konya Şeker.

In conclusion, I discuss the significance and contribution of this study to existing scholarly literatures. I examine beet production with a focus on the changing role of cooperatives in Turkish agriculture. I argue that developing a critical stance towards such a cooperative model is required, by going beyond the notion that cooperatives are democratic institutions that seek the benefit of their members. In the case that I studied, Konya Şeker displays features of a profit-oriented corporation while keeping some features of a cooperative. This amalgam structure embodied in Konya Şeker draws its members into and makes them dependent on new forms of market relations.

CHAPTER 1

Agricultural Markets, Rural Areas and Peasantry: A Sketch of Key Discussions

This chapter will inform theoretical/conceptual framework of this study. It consists of four main sections: agrarian/peasantry question, corporate food regime, social studies of market and rural studies in Turkey. In the first two sections, I will provide an overview of the main debates on changing agricultural relations at both global and national levels in the twentieth century. I will start my discussion with the review of the classical agrarian question, which looks at the capitalist transformations in rural areas by exploring whether the peasantry dissolves following the establishment of capitalist forms of production in agriculture. I will underline that the peasantry question has transformed into several interrelated questions in the contemporary period to deal with agrarian change on the basis of other concerns related to rural areas and the agrifood sector. The sociology of agriculture and food studies will help me develop an approach towards the agricultural relations under neoliberalism. Following Harvey's (2005) definition of neoliberalism, as a political project that prioritizes specific power holders (e.g. agribusiness) and opens new realms to capital through deepening commodification, corporatization and privatization processes, I will utilize the neoliberal/corporate food regime framework (McMichael, 2009a) to understand macro-level transformations in Turkish agriculture. Within this framework, I will particularly discuss the emergence of new production models in agriculture such as contract farming to show how neoliberalism functions on the ground. Considering that the sociology of agriculture and food studies lack sufficient tools to explore the constitution and functioning of commercial markets in agriculture, I will refer to social studies of markets by underlining the importance of ethnographic approaches. This literature will help me frame my fieldwork findings and

conceptualize markets as socio-technical arrangements, and so examine deepening market relations in the countryside from the vantage point of agricultural producers, who have been turned into calculative agents under the neoliberal food regime. I will close this chapter with a review of rural studies in Turkey from the 1950s until now.

1. The Agrarian/Peasant Question

Classical studies of the Agrarian Question go back to the late nineteenth century, to classical Marxist writings.[4] The main problem of these studies is the penetration of capital into agriculture. These studies investigate national agrarian transformation from a macro-historical perspective with regard to the questions of peasant differentiation and class struggle. The analysis of the development of capitalist relations in national agricultural sectors is formulated mostly around the *dissolution of peasantry* thesis. One of the major works that dominated classical Marxist thought was Kautsky's *The Agrarian Question.* In this work, Kautsky argues that capital accumulation within industry subordinated and finally destroyed peasant agriculture (Shanin, 1990, p. 57). Lenin, from a different focus on market relations, claims that with the development of capitalism in rural societies, peasantry as a specific economic category disappears and the polarization between peasants into rich and poor is transformed into rural capitalists and proletarians (ibid., pp. 57-58). Contrary to these classical Marxist answers to the peasant question, Chayanov (1986) asserts that peasant societies have a logic of their own that defies the disintegrative forces of modern capitalism (as cited in Araghi, 2009, p. 116). This is the logic of economic calculation, not in accumulation, but in satisfying the annual needs of the household (Sönmez, 2008, p. 375). From a Chayanovian

[4] Three foundational texts were: *The Peasant Question in France and Germany*, written in 1894 by Friedrich Engels; Karl Kautsky's *The Agrarian Question,* published in 1899; and Vladimir Ilyich Lenin's *The Development of Capitalism in Russia* in 1899. For their comparative analysis, see: Akram-Lodhi & Kay (2009a).

perspective, then, the peasant-family is a specific type of production organization and exists within different social systems. This approach is in contrast to the prediction of classical Marxist writings that there was no way out for peasants: they would incorporate into one of the two classes of capitalism. The Chayanovian family-farm economy was the central axis of the rebirth of peasant studies (Bryceson, 2000, p. 15).

The debate between classical Marxist and Chayanovian perceptions on differentiation was also carried on in later agrarian studies, especially with regard to the discussions over peasants of the Third World (e.g. see Amin, 2003; Bernstein, 2009).[5] The problems of the classical Agrarian Question was employed by Byres (1986) and later elaborated by Bernstein (1996, 1997) in terms of the notions of *accumulation*, *production* and *politics* (as cited in Akram-Lodhi & Kay, 2009a, p. 19). There is still a debate as to whether the agrarian question continues to be of contemporary relevance, whether the meaning of the agrarian question today has totally changed, or whether the agrarian question, as suggested by Hobsbawm, is a concept that can be relegated to the footnotes of history (Akram-Lodhi & Kay, 2009a, p. 6).[6] For example, Akram-Lodhi and Kay (2009b) claim that the agrarian question, as it was classically understood, continues to be relevant (p. 234). On the other hand, McMichael (1997) argues that as "world-history has changed, so have the terms of the agrarian question": the classical agrarian question was a national interpretation of a global process, and the current process of globalization crystallizes the agrarian question in new ways (pp. 631-632). He suggests that the agrarian question can be posed now from the perspective of agrarian

[5] In the literature, there is also significant studies that aim to go beyond the classical debate between classical Marxists and Chayanovians. See for example, Otero (1999). These debates mostly centered conventionally around the petty commodity production analyses. I will open this consideration in a subsequent section on rural studies in Turkey.

[6] Also see: Kearney (1996) as a another source supporting the "farewell to peasantry" argument.

subjects, rather than asking how capital forms a labor force through agrarian transformations (2009b, p. 289).

The intent here is not to resolve the debate over the relevance of the classical Agrarian Question or the dissolution of peasantry thesis. There is a variety of case studies depicting transformations in peasant societies from different points of view; e.g., semiproletarianization in the countryside (Deere & Janvry, 1979).[7] What is important is that without ethnographic studies, it is really hard to reach a general theoretical approach about the fate of peasantry in contemporary agricultural communities. For example, Perrotta's (2002) work on a post-socialist case, namely the Ukraine, shows the retreat to *subsistence farming* on small plots and documents the inadequacy of maintaining *large scale collective farms* in the current economic situation. This study does not support the general argument that small and middle farming disappears under the corporate food regime. However, as Perrotta's discussion poses, the present situation in many agrarian regions today is unsustainable. There is a disaster waiting to happen, possibly even threatening famine (as cited in Humphrey & Mandel 2002, p. 11).

Nevertheless, classical agrarian questions (the ways in which surplus produced in agriculture is appropriated, the extent to which capitalist relations develop, by whom and how land, labor and other means of production are controlled) are important. Yet, the emergence of new problems as a result of changes in agriculture cannot be disregarded. Araghi (2000) states that the peasantry question -asking whether the peasantry will differentiate into a rural proletariat and bourgeoisie or whether peasants will always resist differentiation- is increasingly irrelevant. But, according to him, if we pose it in its political and substantive sense to address the problem of alliance building informed by an analysis of global class formation, it is more relevant than ever. Here, what Araghi is saying is that the peasantry

[7] For a recent case study that shows that the agrarian question remains relevant, see: Harriss-White et al. (2009).

question has transformed and differentiated into a number of interrelated questions: the housing/homeless question, the informal workers question, the refugee/migrant question, the identity question, the question of global hunger, the green question, and the indigenous/landless question. Whatever the name we are likely to give to the emergence of new problems in the current agrarian world, the researchers need to go beyond the question of class struggle in their analysis of countryside. As McMichael (2009b) argues, the agrarian question continues to be about capital and labor relations, but cannot be reduced to a question formulated within the terms of capital theory itself. It is necessary to consider this question within the new world historical conjuncture of financialization, neoliberalism and the corporate food regime.

Further, the analysis of the countryside needs to transcend the departure from capital as an analytical point. In other words, we should look beyond, for example, path-dependent arguments by which rural capitalism is perceived as inevitable or market-based approaches by which farmers' propensity to move towards market is taken for granted. As a number of recent works show (Abdel-Ael & Reem, 1999; Bush, 2002), "farmers tended to move not towards the market but towards increased self-provisioning and protection from the neoliberal policies once their economies took successful steps towards free market reforms" (as cited in Çalışkan, 2007). At this very point, survival/coping strategies of farmers with new developments in agriculture become a significant question to analyze. Needless to say, as Perotta (2002, p. 188) states, this kind of an analysis necessitates long-term and in-depth fieldwork since informal economic activities make it difficult to understand survival mechanisms of farmers.[8]

[8] For studies on survival strategies, for example, see: Akram-Lodhi & Kay (2010), Allison & Ellis (2001), Aydın (2002), Chambers (1995), Chase (2010), Gras (2009), Haan & Zoomers (2005), Larsen (2006), Meert (2000), Ward, Jackson, Russell, & Wilkinson (2008), Wood (2002).

2. Agriculture and Food Studies

Through the 1990s, the sociology of agriculture and food[9] became a major perspective in rural sociology, parallel to the rise of globalization studies. Although the emergence of agriculture and food studies can be traced back to the late 1970s and 1980s, agrarian studies did not depart sharply from the concepts and vocabulary of the new rural sociology and Marxist categories continued to be used in rural studies until the late 1980s (Buttel, 2001, p. 171). But after the work of Friedmann and McMichael (1989) on *food regimes*, the sociology of agriculture went through a dramatic transformation and the word global came to be employed in the titles of key studies of agriculture and food (ibid.). This literature mainly shows that globalization,[10] as succeeding the era of developmentalism, has transformed capital/labor relations and has major implications on agrarian transition as well as on the agrarian/peasant question (Bonanno, 1991; Bonanno et al., 1994; Friedland, 1991; Marsden & Murdoch, 2006; McMichael, 1991).

The literature on food regimes is significant for my research; specifically in the analysis of the macro developments in agriculture worldwide, having an immense effect on the transformations at the national/local levels. In the following, I will summarize the main debates in the food regime(s) studies.

[9] This literature is also called "political economy of food" (Friedmann, 1993), "sociology and political economy of agriculture" (Buttel, 2001), "new political economy of agriculture" (Friedland et al., 1991) and so on. These alternative definitions themselves imply the dominance of political economy perspective in this literature. Within this literature, the political economy perspective is criticized for example; by "cultural turn" studies (Buttel, 2001, p. 172).

[10] For a critique of the conceptualization of globalization in the sociology of agriculture and food literature, see: Büke (2008).

2.1. The Corporate Food Regime

Krasner (1983) defines regimes as "sets of implicit or explicit principles, norms, rules, and decision making procedures around which actors' expectations converge in a given area of international relations" (p. 2). Regime theorists stress the *institutionalization* of these rules and principles that govern the specific relations among various actors. In this regard, the food regime perspective, rather than for example the framework of globalization, can offer a more nuanced and to the point discussion of current agrarian relations.

The notion of food regime is defined as a historically specific geo-political-economic organization of international agriculture and food relations (McMichael, 2009a). In other words, the concept of food regime offers a unique comparative-historical lens on the political relations of capitalism by conceptualizing key historical food regimes that lead to crisis, transformation and transition (McMichael, 2009a, pp. 140-142). As this definition itself suggests, looking at the agrarian relations from a food regime(s) perspective will help my discussion on contemporary agrarian relations from a comparative and historical point of view. In this regard, it is indispensable to discuss *food regimes* by going back to the early writings in this field.

Friedmann (1987) was among the first to formulate the term food regime and it was later developed systematically by Friedmann and McMichael's work (1989). In this latter study, the authors put forward the notion of food regime, from a world system perspective, to analyze "the role of agriculture in the development of the capitalist economy and in the trajectory of the state system" (1989, p. 73). They built their discussion mainly upon the concepts of regulation theory –"extensive accumulation" and "intensive accumulation." The *first food regime* (1870-1930s) was conceptualized by the regulation theory's concept of extensive accumulation, which coincides with the reduction in labor costs in late-nineteenth century European manufacturing through cheap food from the colonies and settler states

(McMichael, 2009a. p. 144). In the *second food regime* era (1950s-1970s), extensive accumulation was counterposed by the industrialization of agriculture and the construction of "durable foods," "as part of the 'intensive accumulation' associated with the Fordist period of consumer capitalism, where consumption relations were incorporated into accumulation itself, rather than simply cheapening its wage bill" (ibid.).[11]

There is a debate over the emergence of a *new/third food regime* since the late 1980s regarding whether this regime is a matured one, or still in the making, or simply a continuation of the previous regime. For example, Friedmann argues that a new food regime is not a full-fledged one, with "implicit rules" established in the production and consumption of traded foods (as cited in McMichael, 2009a, p. 148). On the other hand, Pechlaner and Otero (2008) suggest the emergence of a third food regime, in which biotechnology is the central technology for capitalist agriculture. Burch and Lawrence (2009) also discuss a third food regime by defining this regime as a *financialized food regime*. From a different perspective, McMichael approaches the recent neoliberal world order as resting on a *corporate food regime*, which "has had a specific purpose, namely to focus attention on how instituting the full-scale dispossession of an alternative agriculture is licensed by the so-called 'globalization project'" (McMichael, 2009a, p. 152).

The corporate food regime perspective sheds light on the set of rules institutionalizing *corporate power* in the world food system -which sets barriers in front of an alternative agriculture (institutionally)[12]- and the "internal" details of food regimes, such as key

[11] After this initial formulation, the food regime perspective has criticized (for example, see Araghi, 2003) and developed in line with new intellectual considerations and historical transformations. I am not going into the details of this discussion considering that the focus of this study is on the post-1980s era.

[12] Using the notion of *corporate food regime* does not necessarily discount the existence of agrarian movements that struggle to form an alternative agriculture (e.g. movements for reducing the dependence on

commodity chains, regulation of quality and standards, differentiation of diets, niche marketing and so on, legitimating the dimensions of this contemporary food regime (McMichael, 2009a, pp. 151-153). This definition of the corporate food regime emphasizes two points: firstly, the institutionalization of the set of rules that governs contemporary agrarian relations; and secondly, the inner dynamics of the regime that lets the rationalities of the regime extensively penetrate into agrarian relations and makes the corporate food regime legitimate (i.e., normalization of the agrarian relations under the corporate regime). The former point may lead researchers to seek the way the corporate food regime has been (re)institutionalized. For example, McMichael discusses the proliferation of agro-exporting from the "global South" as much of it is mandated through Structural Adjustment Policies (SAPs) devised by the International Monetary Fund (IMF) and the World Bank (WB) (ibid., p. 153). Nevertheless, institutional analysis does not necessarily mean an investigation of agrarian transformations as just the imposition of international/transnational institutions. McMichael (1997) argues that "institutional anchoring involves legitimating the power of global institutions in the state system itself" and the mechanisms to legitimize this power "involve a combination of *coercion* (e.g. IMF loan conditions imposed on indebted states) and *consent* (e.g. acceptance of economic liberalism as a political program)" (p. 642, emphasis added). McMichael's approach to the corporate food regime here is in line with Harvey's (2005) understanding of neoliberalism as a class based "project." Harvey defines neoliberalism as "a *political* project to re-establish the conditions for capital accumulation and to restore the power of elites" (p. 19). This approach asserts that the state typically produces a regulatory framework that advantages specific interests (such as agribusiness) and corporations.

synthetic chemical pesticides and fertilizer and promote the use of traditional seeds). For a discussion of "food sovereignty movements," see: McMichael (2008).

Further, by employing the corporate/neoliberal food regime framework, one can seek to understand how it functions. In what follows, I will go into the details of the food regime to sketch what is new with contemporary agriculture. I will discuss contract farming as a new form of agricultural production process to give a sense about how the rationalities of the corporate food regime are legitimized.

2.2. Contract Farming

The development of contract farming, as a new form of production, started to draw scholarly attention in the 1980s.[13] At the beginning of the 1980s, the literature on contract farming seemed to be quite limited: theoretical interpretations of contract farming were polarized, characteristically articulated in the formulation of dependency versus modernization analyses (Little & Watts, 1994, p. 9). While the dependency school explored the spread of contract farming on the premise of the periphery's dependence on the core countries, modernist arguments stressed the "backwardness" of Third World agriculture and suggested contract farming as a way to modernize agricultural production. However, since neither of these two theoretical discussions on contract farming was built upon studies of local contexts (ibid.), their understanding of the different faces of contractual relations has been limited.

After the mid-1980s, a new literature on contract farming started to develop, with an emphasis on the diversity of contractual production processes. The first emphasis was made on the heterogeneity of contractual relations in the discussions on the technical characteristics

[13] Contract farming is not a new arrangement introduced in the late 1980s; but rather, its roots can be traced back to the colonial period. Further, we can see the spread of this type of production in advanced capitalist states from the beginning of the twentieth century onwards. For example, it seems that contract farming was led by the vegetable canning industry in North America and by the seed industry in Western Europe in the 1930s and 1940s (Rehber, 2000, p. 10).

of contracted commodities. The contract schemes were classified according to whether growers produce "classical" export crops, horticultural commodities, or staple foods and, according to Little and Watts, "each contracted commodity is associated with specific conditions of production and labor regimes, which affect its potential for generating local and regional development" (1994, p. 11). Although this commodity-based approach helps us understand the complexity of contract schemes, it lacks an understanding of the varieties in the contractual production process arising from contextual differences. This consideration accelerated the proliferation of case studies on contract farming (Asano-Tamanoi, 1988; Grosh, 1994; Grossman, 1998; Key & Runsten, 1999; Phillips-Howard & Porter, 1997; Singh, 2002).

The focus on the conditions of a specific locality does not necessarily mean overlooking the global character of contracting. Late-twentieth-century contract production has also been studied as a global phenomenon. Little and Watts (1994) argue that the labor form attached to a commodity is always affected by the larger politico-economic environment regardless of commodity-specific characteristics. And, according to Bernstein and Byres (2001), this type of production is connected with the contemporary internationalization of agribusiness.[14]

The heterogeneity of contractual relations on the basis of various politico-economic, social and historical contexts prevents us from making a clear-cut definition of contract farming. Yet, in the neo-classical and agri-business literature, contract farming has traditionally been considered a feature of an advanced capitalist structure, promoted in the last decades as an institutional innovation to improve agricultural performance in developing

[14] Carney's (1988) work on rice farming and Gambia and Clapp's (1988) article on Latin America can be named as the very first examples of this literature. For further contributions on different cases and from different viewpoints, see Bernstein and Byres (2001).

countries (Rehber, 2000, pp. 1-3). By emphasizing the advantages of the technological and productivity enhancement that contracting confers, the proponents of contract farming have encouraged contractual arrangements in developing countries as "dynamic partnerships" between small farmers and private or state enterprises (Bowen & Gerritsen, 2007, p. 473). As the notion of dynamic partnership itself connotes, researchers argue that both growers and contractors or processors benefit from contracting. For example, Key and Runsten (1999) have argued that contract farming offers many benefits for growers, including access to new markets, technical assistance, specialized inputs, and financial resources which otherwise would be out of reach (p. 396). Also, it has the potential to raise the income of the poor and promotes rural development. Moreover, contracting has been perceived as favorable for agri-business firms, as it provides assured and stable-quality raw material supplies and is more flexible in the face of market uncertainty (Singh, 2002, p. 1624).

On the other hand, critical studies on contract farming propose that the notion of a contract as a dynamic partnership, or as a bargain made by two equal, free parties, is a narrow and legalistic approach to contractual relations (White, 1997, p. 106). For instance, Singh (2002) claims that farmers have little bargaining power compared to companies, and that they become dependent on the contractors for credit and other input. In this regard, Clapp (1994) argues that considering a contract as a legal form is in itself an attempt to naturalize an unequal social relation between two parties and to represent that inequality as just (p. 92). Further, Huacuja's (2001) examination of contract farming for the vegetable agro-industry in Mexico shows that the contract exerts a certain control on growers' activity by regulating pricing, production practices, and product quality. In line with these critical considerations on contract farming, Little and Watts' (1994) comprehensive study on contract production in Sub-Saharan Africa interprets contract farming as the following: it is a form of vertical

coordination between growers and buyers that directly shapes production decisions as specifying market obligations, providing specific input, and exercising some control (p. 9).

Little and Watts argue that while the contract promotes an appearance of autonomy, its aim is to suppress labor rather than to increase the independence of farmers (1994, p. 16). In other words, the contract has the potential of transforming independent peasants into a sort of "bonded laborers" by dissolving the autonomy of these peasants, and contractual relations themselves subordinate growers to buyers, especially through ties of credit and debt (Watts, 1994, p. 66). These concerns become clear in a recent study conducted in Turkey regarding *Virginia tobacco producers* (Kayaalp, 2007). Kayaalp states that Virginia tobacco "has made the farmers dependent on the knowledge, seeds, fertilizers, and pesticides provided by multinational companies" and for her, this contracting scheme transfers the farmer's full authority over their soil to the *çavuşlar* (foremen) –who are the intermediaries between farmers and companies and act on behalf of multinational companies (2007, pp. 80-83). In the comprehension of the way farmers become dependent on the corporations, Singh provides an illuminating conceptualization of contract farming: ''factories in the field"[15] (2002, p. 1632). This simply refers to the practice of subcontracting. This analogy between contract farming and industrial sub-contracting enterprises is commonly made in the critiques of contract farming (Watts, 1994; White, 1997). For example, Watts argues that the development of contract farming in agriculture resembles so-called flexible accumulation in some sectors of industrial capitalism which relies on multiple outsourcing through industrial subcontracting (1994, pp. 69-70).

[15] This consideration really suits into my case study and during my preliminary research, I got the impression that the fields were like the continuity/parts of a single factory. In the sense that most of the farmers cultivate sugar beets, which can only be produced by contracting with the existing factory in this area.

The critical contract farming studies also highlight the negative effects of this new production process. Increased social differentiation is one of these. Bowen and Gerritsen (2007) argue that there are many factors, such as biophysical, financial, institutional and labor availability that contribute to some farmers' success and marginalize others at the same time (p. 474). Moreover, the gender effect of contract farming is also added into the discussion of increasing social differentiation under contractual relations. Little and Watts analyze a gender effect in the contracting scheme in relation to the labor-intensive character of most contract farming commodities. The authors argue that "the high labor requirements of contract commodities are usually assumed disproportionately by women" (1994, p. 16). In sum, contract farming emerges as one of the hegemonic production forms under the corporate food regime. The discussions over this production process highlight a number of significant issues, from labor processes, new marketing processes to increasing social differentiation and the burden on women.

I have so far sketched the evolution of the scholarship on agriculture with a particular emphasis on the notion of corporate food regime. This concept helps us to look at agricultural production under neoliberalism especially with reference to the institutional legitimization of the regime. In what follows, I will provide a theoretical framework for evaluating my fieldwork with the help of social studies of markets.

3. Markets and Farmers under the Corporate Food Regime

The debates on the agrarian/peasantry question and the corporate food regime are not sufficient for furnishing a theoretical framework to understand the effects of neoliberal transformations in agriculture at the micro-level, especially at the level of farmers' lives. Harvey (2005) argues that through the main features of neoliberal project like corporatization, commodification and privatization of previously public assets, new fields are opened to capital (p. 160). In line with Harvey's consideration, I examine how a rural area has been

integrated to global/national markets under neoliberalism, that is, an environment in which we witness deepening commodification in Turkish agriculture as well as its further corporatization. My particular concern here is how this marketization process has affected the lives of farmers. This discussion will go beyond classical agrarian studies and follow the actions of farmers. After explaining my approach to markets and emphasizing precarious market structures in the present period,[16] I will conceptualize farmers as *homo economicus* who make calculations under the uncertainties of markets within a game of gambling, a term used by farmers to describe the economic environment full of uncertainties.

3.1. Markets as Socio-technical Constructs

Adam Smith's (1981 [1776]) *An Inquiry into the Nature and Causes of Wealth of Nations* is a highly cited work in the social studies of markets. His approach to market as a price mechanism has shaped mainstream economics' understanding of what a market is. According to this, market is defined as "an autonomous and flexible mechanism of exchange based on choice, a mechanism by which prices are formed as the result of supply and demand, and through which scarce resources are valued and allocated" (Harriss-White, 2008, p. 19). This kind of an approach to markets praises commerce as a civilizing mechanism. Fourcade and Healy (2007) explain the liberal dream of market society as follows:

> Market exchange variously seen as a promoter of individual virtue and interpersonal cooperation, the bulwark of personal liberty and political freedom, and the mechanism by which human creativity can be unleashed and its products made available to society at large. (p. 8)

[16] "Farmers across the world have for a long time been exposed to risks inherent in commodity markets. The president period, characterized additionally by the spread of an aggressive financialization, has intensified this vulnerability" (Keyder & Yenal, 2011).

This perspective assumes that the site of the mechanical equilibrium of individual utilities is the market, which is a utopic place formulated geometrically by the axes of a supply-demand chart, not the social marketplace of Ricardo or Marx that is conceptualized in relation to the city, to agriculture and so on:

> As a neutral, planar surface, the market of neoclassical economics has no depth, no dynamic structure, no forces of its own, no "macro" dimension that could be described apart from the individual utilities that moved across it. It was an inert, unmoving space. (Mitchell, 2005, p. 129)

This classical comprehension of market is later on highly criticized as being abstract, asocial, ahistorical, and de-institutionalized (Harriss-White, 2008, p. 19). From different theoretical considerations, there were diverse efforts to overcome economic determinism in the analysis of the markets such as rational choice sociology (Coleman, 1986; Becker, 1976; Hechter, 1994), new economic sociology (Granovetter, 1985; Zelizer, 1988), socio-economics (Etzioni, 1988), psycho-, socio-, anthropo-economics (Akerlof, 1984), among others. An enduring criticism to neoclassical economics came from Karl Polanyi.[17] His discussion of embeddedness[18] laid the ground for social scientists to develop critiques of the consideration of an analytically autonomous economy by replacing it with an understanding of state and economy as mutually constitutive entities (Alvarez & Krippner, 2007, p. 234). Polanyi (1944) fundamentally argues that economic relations are embedded in social and political relations, and so "market can only operate in a larger social context framed by specific institutional

[17] This critique is known in anthropology as the debate between the *formalists* and the *substantivists*. For discussions of this debate, see: Callon & Çalışkan (2009) and Gemici (2008).

[18] The term embeddedness was first invoked by Polanyi and later used by Granovetter for the intellectual justification of the new economic sociology. The theoretical vagueness of this term has been pointed out (Krippner & Alverez 2007, p. 220).

environments" (as cited in Adaman & Çalışkan, 2010). For him, an autonomous market is an anomaly although it became possible in nineteenth century England as market was disembedded from the society for the first time: through the interventions of the English state, a self-regulating market system was accomplished. As Block (2001) claims, Polanyi shows that the strength of protection effectively (re)embeds the economy into society again and again:

> Polanyi suggests that effectively functioning "market societies"… must maintain some threshold level of embeddedness or else risk social or economic disaster… and shows how establishing labor, land, and money as *fictitious commodities* required new institutional structures... These ongoing efforts to embed the market are met with continuous resistance and by the opposing pressures of the movement for laissez-faire. He sees "market society" as being shaped in an ongoing way by this double movement-effort to extend the scope of the market and to place limits and restrictions on the market. (p. 18, emphasis added)

Polanyi makes two important points here, fictitious commodities and double movement. Firstly, Polanyi argues that the self-regulating market continuously commodifies everything. Even land, labor and money which were not actual commodities were made into fictitious commodities by market conception: "Labor is simply human activity, land is simply nature, and money is simply an account of value, all indispensable parts of the market economy… there was a market price for the use of labor power, called wages, and a market price for the use of land, called rent" (Polanyi, 1944 as cited in Escobar, 2005, p. 148; Watts, 2010, p. 20). Polanyi here underlines that establishing labor, land and money as fictitious commodities necessitates new institutional mechanisms. In other words, the creation of land, labor and money markets was nothing but the result of deliberative action by the state (Adaman & Çalışkan, 2010). Secondly, for Polanyi, modern capitalism embodies a double

movement in which markets are disembedded from and (re)embedded in social institutions and relations in a coextensive manner (Watts, 2009, p. 21). The market expands continuously but at the same time this expansion is controlled by a countermovement that restricts and determines the scope of the market. In sum, the Polanyian perspective establishes the link between the economy and the state, and provides us an understanding of market that is embedded in institutions and is itself a political project.

Polanyi's work later on "became the entry point to neo-institutionalism in the embeddedness literature" (Adaman & Çalışkan, 2010). Granovetter (1985) provided a different account of embeddedness:

> Embeddedness in a network of social relations, as defined by Granovetter, is different from embeddedness according to Polanyi. The latter assumes the existence of an institutional frame constituting the context in which economic activities take place. In the social network as defined by Granovetter, the agents' identities, interests and objectives, in short, everything which might stabilize their description and their being, are variable outcomes which fluctuate with the forms and dynamics of relations between these agents. (as cited in Callon, 1998, p. 8)

The sociology of markets, with the contribution of Granovetter's work, goes beyond the problematiques of embeddedness of markets and opens the black boxes of exchange, competition, and production: "Sociologists begin by realizing the market actors are involved in day-to-day social relations with one another, relationships based on trust, friendship, power, and dependence" (Dauter & Fligstein, 2007, p. 113). Granovetter (1985) argues that the main intention of embeddedness is that it increases trust between buyers and sellers (as cited in Dauter & Fligstein, 2007, p. 108). On the basis of network analysis, Granovetter examines relations between actors, and trust is taken as a mechanism that allows actors to overcome market imperfections. Granovetter's account of market differs from the neoclassical

approach to economic actions and institutions, and constitutes one of the main explanatory mechanisms of new economic sociology. The suggestions are fundamentally: (1) economic action is a form of social action, (2) economic action is socially situated, and (3) economic institutions are social constructions.[19]

The critical potential of the Polanyian perspective and new economic sociology literature became limited and gave rise to a new literature, on the consideration that in the understanding of how markets work, "the embeddedness approach deems any and all dimensions of markets to be social in nature" (Adaman & Çalışkan, 2010). Through ethnographic studies, a number of scholars have provided an understanding of markets as the reflections of specific forms of labor, socio-technical arrangements, culture, and modes of organization specific to time and space. For example, Humphrey & Mandel (2002), by considering the constitution of markets in the post-socialist period within the terms of the privatization process, underline that privatization is not the same thing in the post-socialist context as it is in the West. Mandel and Humphrey's work integrates ethnic identity, national affiliation and culture in their analysis of markets and shows construction of new markets in a post-socialist environment. Post-socialist transformations have laid the ground for exploring the complexities of marketization processes in specific localities. Elyachar (2005) summarizes this development:

> The idea that markets are a spontaneous outcome of the instinct to truck, barter, and exchange should have disappeared in the 1990s after the collapse of communism in the Soviet Union and Eastern Europe. Scholars who studied the region in the 1990s began to shed light on the work of making markets, and the power relations… Transition from socialism was supposed to be a transition to "market society." But…

[19] For a detailed discussion of these suggestions, see: Granovetter & Swedberg (1992).

> "market society" as such did not exist. In its place hybrids emerged… [that] drew together elements of various property regimes and forms of markets from the remnants of the old system. (p. 23)

Among the efforts to criticize neoliberal approach to markets as the site of the mechanical equilibrium of individual utilities and develop an understanding of markets that are constructed within power relations and are contextual, I find Callon's (1998) account insightful. Callon's analysis departs from the consideration of markets as social constructs in the sense that although he acknowledges that markets are socially constructed, he does not build his discussion on society as a starting analysis point. Rather, he argues that "what is under construction is precisely this heterogeneous collective populated by calculative agencies… it [society] is, along with the market, the temporary outcome of a process in which social scientists… are the stakeholders" (Callon, 1998, p. 30). Callon here refers to the embeddedness of economic markets in economics and suggests an understanding of markets as socio-technical universes (also, see Callon & Çalışkan, 2009). He defines the market as a process in which calculative agencies compete against and/or cooperate with one another, and it is not a two-step process with competition phase followed by an exchange phase. He states that:

> The market is no longer that cold, implacable and impersonal monster which imposes its laws and procedures while extending them ever further. It is a many-sided, diversified, evolving device which the social sciences as well as the actors themselves contribute to configure. (Callon, 1998, p. 51, emphasis added)

According to Callon, a market is a process that involves a web of connections between designers, producers, distributors and consumers. Market laws are also neither in the nature of humans and societies (a critique against Adam Smith) nor are they constructions invented by social scientists; rather, they "account for regularities progressively enforced by the joint

movement of the economy and economics" (1998, p. 46). This means that, as Callon and Çalışkan (2009) suggest, constitution, development and objectification of markets should be considered as a particular form of economization. This consideration puts an emphasis on the increasing role of economics in market making. Economization, according to authors, involves scientific works (mobilization of economic or socioeconomic theories designed to identify realities), institutional frames (socio-cognitive prostheses), techniques, calculating instruments, materialities, and so on. This perspective suggests that marketization is a form of economization and so market establishment is not a pure social process, but rather a socio-technical construction.

In a recent book on rural commercial capital (specifically, agricultural markets in West Bengal), Harriss-White (2008) provides us an insightful definition of commodity markets:

> Not only do they [commodity markets] link production and consumption… but they are also the means by which society reproduces itself from day to day and through which it is transformed… Commodity markets are neither passive reflectors of production structures, nor are they independent of them; they are an active element in the process of growth and accumulation. Commodity markets are also, like most markets, *political arenas* regulated by society and culture, as well as by formal laws. Their socio-cultural regulation challenges and compromises the regulative role of the state. (p. 20, emphasis added)

Harriss-White here emphasizes the institutional complexity of commercial markets and proposes an empirical specification for these markets. Accordingly, she adds that we need to conceive markets not only in terms of their institutions, but also as *systems of circulation* (2008, p. 23, emphasis is original). Here, she takes our attention to the link between the sphere of circulation and that of production: "the repercussions of change in institutions of circulation [firms, loan payments, payments to labor, rental contracts etc.] are felt in

institutions of production" (ibid., p. 25). In this regard, this research claims that without understanding economic exchange relations regarding a specific commodity, one cannot comprehend changes in the production processes.

In a study on market construction in Cairo, Elyachar (2005) argues that "relationships are not a thing that exists outside a previously existing individuality and subjectivity"; rather, it is a habitus shared by various actors and "a critical dynamic within a generalized system of value production" (p. 145). Elyachar's discussion underlines an important dimension of neoliberal market restructuring. She shows how prior existing social relations are transformed into social capital as a form of accumulation by dispossession. Elyachar argues that the language of empowering the poor views "the cultural practices of the poor as a form of social capital, and financializ[es] their social networks through relations of debt mediated by NGOs (non-governmental organizations)" (p. 29). For her, this is an important aspect of "accumulation by dispossession." She argues that this transformation "proceeds through a range of social technologies enacted in a broad socioeconomic context of structural adjustment, devaluation, and forced globalization" (pp. 189-190).

In sum, marketization is not only an economic process. As Elyachar argues, "markets are social and political worlds with their own cosmologies," and "each is a cosmos of its own, and intricately functioning field of power" (2005, p. 214). Marketization is a political project, and actors and arrangements playing a role in the constitution of markets differ according to the market, spatiality and temporality under question.

3.2. Farmers as Calculative Agents

Elyachar's (2005) discussion on marketization process in Cairo stresses that the expansion of neoliberal markets can only succeed if it creates new subjectivities on the ground (p. 214). Classical rural studies' (Alavi, 1973; Ghorayshi, 1987; Goodman & Redclift, 1982; Hobsbawm, 1973; Llambi, 1988; Shanin, 1990) attempt to define who peasants and

farmers are do not provide us with sufficient conceptual tools to understand the emergence of new subjectivities in rural areas. This section aims to provide a theoretical framework to understand economic activities of farmers and the way they make economic decisions.

The constitution of new markets in rural areas is related to changes in the lives of small and middle farmers, who have been marginalized because of those markets. Comaroff and Comaroff's (2001) observation that the "world has become a huge casino!"[20] points in this direction, as they argue that gambling, a form of speculation and/or an epitome of immoral accumulation, has invaded everyday life and become routinized (pp. 178-180). My case study on farmers in a village in the Konya Plains supports that observation, since small and middle farmers have found themselves gambling as part of their everyday practices in the speculative and insecure economic environment created by new markets. Thus, I claim that farmers are turned into choosers and risk-bearers in such an environment. Dunn's (2004) study of the formation of agrifood industry in post-socialist Poland can help me elaborate this point:

> What is happening at the individual and micro social levels replicates what is happening at the national political-economic level. Just as Poland is supposedly "free to choose" whether it will join the European Union (EU) or participate in the global economy but in fact is compelled to do so because the only alternative is economic disaster, so too are individuals apparently more autonomous yet more stringently regulated than ever before. (p. 22)

She also mentions how Poland is trying to develop by "producing [a] highly disciplined and effective workforce" (p. 18). Ong's (2006) conceptualization of neoliberalism

[20] This is the title of an article written by Fidel Castro. "World has become a huge casino." *Sunday Independent* (Johannesburg) 6 September 1998. This article is a transcript of a speech given to the South African Parliament. (as cited in Comaroff & Comaroff, 2001, p. 179).

contextualizes Dunn's (2004) emphasis on the creation of a disciplined workforce. Ong proposes to consider "neoliberalism as a technology of governing [that] relies on calculative choices and techniques in the domains of citizenship and of governing":

> Neoliberal rationality informs action by many regimes and furnishes the concepts that inform the government of free individuals who are then induced to self-manage according to market principles of discipline, efficiency, and competitiveness. (Ong, 2006, p. 4, emphasis added)

This approach to neoliberalism is in line with the above mentioned notion of markets as socio-technical constructions. Concrete markets constitute the assemblage of calculative devices which would be made up of human bodies as well as tools, technical devices and equipments (Fourcade & Healy, 2007). It shows that economic action is about calculation and how the qualities of goods are calculated is crucial in understanding market formation (Dauter & Fligstein, 2007, p. 108). Callon's (1998) use of the term of *entanglement* can be applied here to open up this point theoretically:

> The notion of entanglement enables us to think and describe the process of "marketization," which like a process of framing or disentanglement, implies investments and precise actions to cut certain ties and to internalize others. (p. 19)

Callon's consideration of entanglement sheds light on how agents make their decisions. He argues that if agents can calculate their decisions, it is due to the fact that they are entangled in a web of relations and connections (p. 7). In other words, "economic calculation is not performed by isolated rational individuals, but by complex socio-material arrangements" (Barry & Slater, 2002, p. 182). Callon also underlines that the list of actors/arrangements that are involved in the construction of markets is an open-ended one; but at the same time, markets are constantly framed and shaped to organize market transactions (p. 8).

This emphasis on agents who can calculate their decisions insists that *homo economicus* does really exist. In neoclassical studies of markets, individuals stand as the unit of analysis and are considered as *homo economicus.* According to Adam Smith, economic action is something given by human nature and social influences are the exterior that distorts economic action. He says that people have a "propensity… to truck, barter and exchange one thing for another" (Smith [1776] 1976, p. 17, as cited in Granovetter & Swedberg, 1992, p. 6). Building on Smith, neoclassical economics deals with individuals as rational actors who are able to make their own choices as well as to maximize their benefits within the environment of scarcity. Different from these neoclassical studies, Callon's (1998) study seeks to understand under which conditions calculativeness is possible and under what conditions calculative agents emerge:

> *Homo economicus* really does exist. Of course, he [sic] exists in the form of many species and his lineage is multiple and ramified... He is formatted, framed and equipped with *prostheses* which help him in his calculations and which are, for the most part, produced by economics... The objective may be to explore the diversity of calculative agencies forms and distributions, and hence of organized markets. (p. 51, emphasis added)

Farmers are also individuals making calculations before, during and after the cultivation of crops. It may be claimed that farmers are *homo economicus* who are likely to maximize their gains in agricultural production processes and seek to make choices for their best interest. Yet, they are entangled in complex socio-material arrangements; we should not disregard that neoliberalism has transformed farmers into calculative agencies that are induced to be self-managed, choosers and risk-bearers in the game of gambling, in a precarious market structure. This is the point has yet to be echoed sufficiently in rural studies in Turkey. Next, I turn to a critical summary of this literature.

4. Rural Studies in Turkey

The main problem informing rural studies in Turkey, especially until the beginning of the 1990s, was the transformations in agriculture parallel to the developments in global and national capitalist economic relations. These studies, in general, take the village as a unit of analysis. In the period between the 1990s and the 2000s, the focus of the social scientists' analysis of the capitalist developments was no longer on the rural areas. Yet, from the 2000s, agriculture and rural societies started again to occupy social scientists' research agendas.

Rural studies in Turkey emerged after the Second World War and until the 1960s, the issue of social structure/change in the rural areas was a significant subject matter (Köymen, 1999, p. 137). In the 1930s and 1940s, rural populousness, in contrast to the population in the urban areas, was clearly the main motive that propelled social scientists to conduct fieldwork in Turkey's countryside to analyze the way socio-economic developments have, and should have, taken place in Turkey. Niyazi Berkes's (1942) *Bazı Ankara Köyleri* and Behice Boran's (1945) *Toplumsal Yapı Araştırmaları* are the forerunners of rural studies in Turkey.[21] These works were the initial framework for one of the problems in rural studies that emerged after the 1950s: namely, the development of capitalism in Turkish agriculture.

The period between the 1950s and the late 1970s marks a bloom in rural studies. The two main developments in this period triggered the interest in rural areas: (1) the changes in Turkish politics -a shift to a multi-party system, later on the triumph of a populist party (Democratic Party) and its "effective" policies in the rural areas, and (2) economic developments –the modernization efforts in rural areas (such as the use of tractors) especially through Marshall aid. The preeminent problem in this period was the structural

[21] For additional examples, see: Demirkan (1941), Erdentuğ (1956) Tanyol, Kösemihal, & Ülken (1950), Yasa (1955).

transformations in Turkey's countryside. The extent and the form of capitalist penetration in Turkey's villages and its effects for local, regional and national development trajectories constituted the main analytical framework of rural studies during the period between the 1950s and the 1970s. These works in general predicted the "dissolution of the peasantry"[22] and class polarization in the countryside.

Yet, the prediction of the rural studies in that period was interrupted by Boratav's research published in 1969 (*Gelir Dağılımı*), by the argument that petty commodity production is stable in Turkish agriculture and did not seem to dissolve easily. The importance of his study was that the establishment of capitalist relations in agriculture, social differentiation, commercialization or mechanization would not go hand in hand with the accumulation of lands in the hands of a few capitalist producers (Akşit, 1999, p. 178). Several rural studies in the following years advanced this perspective: the dominance of petty commodity production in agriculture as well as different development trajectories in the villages, located in different geographies (Akşit, 1985; Keyder, 1983b; Sirman, 1988).

After the late 1980s, rural areas were no longer the object of social science studies in Turkey. The decrease in the rural population and in the importance of agriculture for the national economy in the 1980s reduced the academic interest in rural societies. From a theoretical point of view, Sirman (2001) interprets the decline in rural studies in the 1990s in terms of decline of the modernization and Marxist paradigms that has framed rural studies before the 1990s (p. 252). Here, Sirman criticizes the developmentalist perspective that had dominated rural studies from the very beginning, and argues that it is because of this perspective that peasants and farmers were not an object of analysis in studies of culture and urban identities after the 1980s (ibid.).

[22] Akşit (1993) argues that the "dissolution of peasantry" thesis is upheld by the experience of massive rural to urban migrations during the second half of the 1950s and 1960s (p. 93).

However, we have witnessed an increasing scholarly interest in agriculture and rural areas in the last decade. These works are not necessarily village-based studies on the peasantry/countryside. Macro-level analyses point out the changes/continuities in Turkish agriculture within the terms of neoliberalism and case studies reflecting the rationalities of this new regime on a number of specific issues (e.g. contract farming) have been published. All these works are helpful to understand the changing position of Turkey in world agriculture and also the transformation in agrarian production processes. Although the questions that occupied preceding rural studies (for example, the form of capitalist penetration in agriculture) still appear in recent research to an extent, newly emerging rural/agrarian studies do not seem to build their research on the intellectual heritage of rural studies in Turkey. I mean that there is a gap between the previous rural studies and current research on agriculture in Turkey, and not much effort to bridge this gap (e.g. Büke, 2008). This is an important gap and I think that it prevents the flourishing of rural studies in Turkey.

Political, economic and social developments in Turkey (e.g. Turkey's accession to the EU, the conditionalities of the IMF and the WB) and the increase in studies on globalization have been bringing agrarian issues back into the research agendas of social scientists. For example, the discussions about Turkey's accession to the EU touches upon the developments in the agriculture sector, which is one of the most controversial topic in this process. Also, the analysis of the changes in the Turkish economy refers to Turkey's relations with the IMF and WB, to the conditions put forth by these organizations, in which agriculture is again a significant topic of discussion. All of these show that agriculture has now become an important topic. Although critical agrarian studies are also emerging, as the subsequent review of rural studies in Turkey will depict, there is still a significant lack in this area that needs to be filled by comprehensive case studies.

4.1. The Capitalist Development Model

The integration of capitalist relations into the countryside and its effects on rural societies constitute the main axes of rural studies in the 1940s (Berkes, 1942; Boran, 1945). Modernization theory –a major paradigm that dominated the 1950s and 1960s in the social sciences- shaped the principal problems in rural studies later on. Integration into the market economy, new input and changing technology, the importance of banks and public organizations are some of the issues that occupied the 1950s literature on rural areas (Keyder, 1999). For example, Karpat's (1960) research conducted in the 1950s in some Ankara villages examined cotton production and its mechanization. This study argues that mechanical cotton production entered the villages on the basis of the existing socio-economic stratification and increased this stratification if there was not any contrary state policy. However these kinds of social structure studies were limited at this time because of the suppression of the left after the transition to multiparty politics in the 1950s (Köymen, 2008, p. 156). The fieldwork studies on peasantry and agriculture started again in the 1960s.

A research program formulated by Kıray in the 1960s constituted a framework for social change studies in these years. This program mainly hypothesized land and class polarization through capitalist development in agriculture –in terms of processes such as commercialization, cash crop production, mechanization and credit use (Akşit, 1999, p. 174). For example, one of Kıray's (1964) studies conducted in Ereğli by the Black Sea coast emphasizes the domination of merchant capital on small producers. Kıray argues that the most important differentiation in the village is between peasants and merchants, which constituted the main obstacle to rural development since the surplus value created in agriculture was transferred out of the village via merchant capital. In another field study that Kıray and Hinderink (1970) conducted in Çukurova villages in 1964-1965, they argued, as its title *Social Stratification as an Obstacle to Development* itself indicates, that the stratification in the

villages that emerged as a result of the integration of capitalist relations into agriculture was an obstacle to rural development.[23] I am not going into the details of these two studies cited here,[24] but the significant point to emphasize is the very model itself developed in these studies: it framed a number of subsequent structural analyses in Turkey's countryside as well as the main question that dominated the rural studies between the 1950s and the late 1970s.

Two separate types of villages were selected as units of analysis by Kıray and Hinderink, which were differentiated according to whether the prevalent landownership was small or large. In the villages subjected to large landownership, capitalist farming was already established. The significant question here was the fate of the villages dominated by small producers. Kıray and Hinderink evaluate these villages as in *transition*, where social stratification and land polarization had not yet advanced (Akşit, 1993). The findings of Kıray and Hinderink, namely the settlement of capitalist farming in Turkey's countryside, are supported by Akşit's fieldwork in Adana villages in 1966 and published in 1967 under the title of *Under Developed Capitalism and its Integration to the Villages.* In this study, Akşit argued that capitalist farming has become the dominant form of production in Turkish agriculture on the basis of two different village types; one where large land ownership is prevalent and the other characterized by small landownership. Here, he points out different ways of the establishment of capitalist farming. While in a Southeastern village where large landownership emerged through the expropriation of land by political and legal maneuvers, in another village, capitalist farming emanated from the accumulation of merchant capital by the

[23] The findings of Kıray and Hinderink's study are in line with another study conducted by Karpat at the end of the 1950s in Antalya villages. Mechanized cotton production enters into the villages within the framework of existing differentiations in the villages and deepens these existing discrepancies if there doesn't any contrary state politics (as cited in Akşit, 1993).

[24] For a detailed analysis, see: Akşit (1993).

groceries in the village, with which they purchased tractors and land, and transformed them into capitalist farms.

What is common in the above cited studies is the claim that these processes (e.g. commercialization and mechanization) operating in the villages characterized by large land ownership would lead to polarization between large land owners and share croppers while the "small land ownership" villages were not differentiated and polarized although they had been also undergoing transformations (as cited in Akşit, 1993, p. 193). This kind of research model had been predicting the dissolution of the peasantry and polarization in the villages. Massive rural to urban migration during the second half of the 1950s and the 1960s seemed to support the depeasantization thesis empirically (ibid.). Yet, in the 1970s, this research model and its very hypotheses of the dissolution of the peasantry and class differentiation were interrupted, and a new analytical tool emerged in the understanding of transformations in rural areas: namely, *petty commodity production.*

4.2. Petty Commodity Production

Boratav's research published in 1969, under the title of *Gelir Dağılımı*, has a strategic importance in village studies. Boratav, by using the land distribution statistics in the 1963 census of agriculture, argued that petty commodity production prevails in Turkish agriculture, and commercialization and commodification of the products produced by family labor propelled the development and flourishing of merchant capital. Here, he emphasized that petty commodity production will be settled in Turkish agriculture and does not seem to dissolve easily. The importance of his study generates from his claim that the establishment of capitalist relations in agriculture, social differentiation, commercialization or mechanization would not go hand in hand with the accumulation of land in the hands of a few capitalist producers (Akşit, 1999, p. 178). Rural studies in the following years advanced this perspective

(e.g. Keyder, 1983a, 1993). Yet, during this period, Boratav's research model was also highly criticized especially during what has come to be known as the *Boratav-Avcıoğlu debate.*[25]

Contrary to Boratav's findings derived from the 1952 and 1963 agriculture censuses, Avcıoğlu (1968) argued that these censuses do not exactly reflect the penetration of capitalism in the countryside. According to Avcıoğlu, the village-based research conducted by Kıray and Akşit conclusively shows the capitalization of agrarian production and land concentration in small hands. Although the consideration of the existence of petty commodity production in Turkish agriculture is highly criticized (Avcıoğlu, 1968; Köymen, 2008), it constitutes the rural studies' framework from the 1970s through the 1980s. Within the scope of this research, it is not necessary to discuss in further detail this debate shaped by political and ideological concerns. What I am interested here is the findings of Akşit's revisit research, who was one of the pioneering scholars who hypothesized the capitalist polarization in the villages in the 1960s. Akşit (1993), in his subsequent studies, shows that the capitalist development model based on capitalist farming, wage laborers, and dissolved peasants are no more observable in Turkey's countryside. Then, it is worth discussing rural studies developing a capitalist transition model on the basis of petty commodity production.

The basic argument that prevailed in rural studies in the 1970s is that the spread of commodity production does not necessarily bring an end to small commodity production

[25] In the literature, a reference is also given to the Boratav-Erdost debate: "Boratav revealed the importance of petty commodity production as a distinct form and the pervasiveness of capitalist exploitation. For Erdost, by contrast, the importance of merchants and moneylenders was an indication of the continuing strength of pre-capitalist relations of production in agriculture, despite the undoubted subordination of small producers as a whole to Turkish and foreign capital. In his view, the transformation of relations of production from feudal and semi-feudal to capitalist would ensure the effective elimination of the 'primitive' forms of capital operating in the sphere of exchange and their replacement with more 'modern' forms of commercial capital" (Margulies & Seddon, 1984, p. 57).

resting on family labor. In line with this consideration, the extensive migration to urban areas from the countryside between the 1950s and the late 1970s is interpreted as a contribution to the settlement of the petty commodity production (PCP) form rather than dissolving the peasantry. The PCP model was first described by Birtek and Keyder (1975) on the changes in Turkish agriculture and peasantry between the years 1923 and 1950. They inform us about the aim of the study by noting: "We hope that its theoretical content will point toward a methodology for the analysis of the reciprocity between the policies of the state and class structure" (p. 446). They argue that during the 1930s, in the years of the *Great Depression,* the government consolidated small producers via grain support policies at the expense of weakening big land owners (Köymen, 2008, pp. 162-63). Keyder, in another work (1993), also draws attention to the populist politics of the Democratic Party in the 1950s that laid the ground for small farmers to produce for the market and argues that peasants became petty commodity producers as production for the market started to penetrate into the rural economy after the 1950s. He explains that the DP government endorsed the outcome of the class struggle in favor of petty commodity production by first opening lands for small farmers and then making them legal owners of these lands (1993, p. 183). Here, the main argument is that the factors determining whether capitalist farmers or petty commodity producers dominate agricultural production emanate directly or indirectly from the role that the state plays in agriculture. Although Keyder pays attention to the importance of private property for the consolidation of PCP in his analysis, he only considers macro-level factors that enabled the spreading of PCP in Turkey (Sirman, 1996, p. 117).[26]

[26] In this critique, Sirman cites Leyla Neyzi's (1991) work on economic development in Southern Turkey. She argues that Neyzi's analysis "emphasizes the contingent and uneven nature of the acquisition of private property by demonstrating its dependence on power relations at the local level, and on the existence of a

The predominance of family farms led Keyder to claim that "differentiation would take place on the village level" (Sirman, 1996, p. 117). Here Keyder's emphasis on village-based analysis and also the differentiation types he provides are significant to note. He draws our attention to the importance of discovering the impact of capitalist domination on various village structures in the agrarian sector, which immediately determine household behavior (Keyder, 1983, pp. 35-37). He discusses four types of production relations (production for subsistence, subordinate commercialization, petty commodity production with accumulation and capitalist farming) which are resolved in two categories: (1) capitalist farming with a proper capital-labor relation, which is historically and geographically limited, and (2) the predominance of family labor in the production process, within which all the types are petty commodity producers, "although the ratio of subsistence to commodity production varies widely" (ibid., p. 35). He concludes this outline of types of production relations by stating the dominance of petty commodity production in Turkish agriculture as well as the transitional situation of a properly capitalist model, which is not prominent in most backward regions (ibid., p. 47). In short, studies on Turkish agriculture and rural transformation in the late 1970s and the 1980s show the trend towards the establishment of petty commodity production in the countryside as well as different transformation trajectories at the village-level resulting from government policies and/or other factors like commodity types and regional structures (Akşit, 1985, 1993; Keyder, 1983a; Sirman, 1988).[27]

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more complex spectrum that defines private property, defined by different arrangements through which property is held" (Sirman 1996, pp. 117-118).

[27] For example, Akşit (1996) states that "all commercialization of agriculture, mechanization in production and state policies have not a homogenizing affect on the petty commodity producers, rather differentiated them at the village and region levels" (p. 200).

A significant critique of Boratav and Keyder's approach to PCP was introduced by Sönmez (2001). According to Sönmez, Boratav and Keyder take the risk of blurring the difference between being capitalist and being manipulated by capitalism, by ignoring the structural and quantitative features at the enterprise level, or suggesting a direct/mechanical link between these features and social attributes (Sönmez, 2001, pp. 76-77). Accordingly, Sönmez discusses Hann's (1984) study: "Hann's observations about the seasonal migration in the Eastern Black Sea points out the dissolution of small enterprises and proletarianization in this region... and it can also be observable in this region that the capitalist accumulation process functions under the veil of petty commodity production and this helps far-fetching proletarianization in this region" (Sönmez, 2001, p. 79).[28]

The debate between Boratav and Aydın clarifies Boratav's approach and Aydın's criticism. Aydın (1987) criticizes Boratav's approach as being market-based and lacking a production focus. He argues that Boratav omits the analysis of relations of production by an emphasis on the usurer/trader capital. Boratav (1987) rejects this criticism and states that his focus on merchant capitalism does not necessarily exclude production relations and rather is directly related to an analysis of the capitalist mode of production. Although these debates point at the political factors affecting the settlement of any type of production (pure capitalist or family enterprises) and transcend economic determinism to an extent, they do not seem to

[28] Here, I want to present Hann's approach to cooperatives: "Hann seems to advocate a Chayanovian vision of cooperatives that would derive its strength and legitimacy from existing notions of collectivity, notion that necessarily include Islam. Tea, in his analysis, also seems to function as a metaphor for the non-Western form of market integration that Hann advocates… the approaches which stress conflict, contradiction and local agency have shown that the fusion between state and society, urban and rural, centre and periphery which Hann celebrates is not by any means a process that is complete. It is moreover a process which produces inequality and domination along many lines of cleavage, including gender, class and ethnicity" (Sirman, 1996, pp. 122-123).

provide a comprehensive methodology in understanding the creation of new market(s) in rural areas.

4.3. Commodity-Based Analyses

Since the late 1980s, we have witnessed a rise in cultural studies in the analysis of agrifood relations and rural areas in Turkey. Important research has been conducted using analytical tools like gender, ethnicity and religion into account, in addition to class relations (Aydın, 2002; Ilcan, 1994; Morvaridi, 1992; Sirman, 1996). The frameworks informing rural studies in this period are twofold: (1) analysis of the dynamic of change in relation to forces of capitalism and examination of its effects at local, national and global levels; and (2) examination of socio-cultural processes, with giving greater agency to them, and a focus on power relations at the local level (Sirman, 1996, pp. 115-116). Studies merging these two frameworks seem to be limited. For example, Aydın's studies (2002, 2005) provide discussions over transformations at global, national and local levels, but this analysis seems to risk depicting the complexities of local areas comprehensively at the same time. In what follows, I will discuss recent work on rural change in Turkey by focusing on the methodological and analytical tools used in these studies. This will emphasize recent contributions in agrifood studies as well as point out gaps in this literature, of which I intend to fulfill to a certain extent.

Survival strategies that farmers develop to cope with the uncertainties of markets constitute a significant topic (Aydın, 2002; Ecevit, 1999; Sirman, 1988). For example, Aydın (2002) examines the nature of socioeconomic pressures experienced by cotton and wheat producers and the coping strategies they have developed in some villages in which he conducted fieldwork in 1994, 1997 and 2000. He explains the effects of the non-involvement of the state in various markets (such as the fertilizer market, the cotton market, the credit market and so on) in terms of the process of *impoverishment* and argues that a phenomenal

increase in input prices pushes farmers to self-exploitation and survival strategies such as income generating activities, drawing on savings and borrowing, expenditure reductions (Aydın, 2002, pp. 189-195). This study explains changes in Turkey's countryside from a macro-level perspective –within the terms of global and national transformations in the agrifood sector. The methodology adopted in this study enriches Aydın's discussion and helps us to understand the effects of macro changes on specific localities.

A recent study conducted by a large research group (İslamoğlu et al., 2008) also focuses on impoverishment in the countryside. This work, from an institutional framework, examines transformations in Turkey's agrifood sector since the 2000s on the basis of seven crops (namely, sugar beet, corn, wheat, cotton, tobacco, sunflower and grape). This study discusses marketization processes at the micro-level for selected crops and transformative effects of this process on agricultural production and property structures. In this regard, this is not a peasantry study limited to the household economy and its changing features: it examines the marketization process in the agriculture sector and the transformation of household economies in this process. It also sheds light on power relations affecting the circulation of specific commodities, more specifically, it examines activities of farmers, merchants and cooperatives and changes in their activities. In general, they argue that the dissolution process in agriculture as the result of economic liberalization policies has reached its limit: Although there exist differences among the producers according to the crop cultivated and regions, the better part of farmers who stayed in the villages after the waves of migration to cities are the ones who benefited from the agricultural policies during the ISI period and produce for markets with a prospect to find a place in the new market order (p. 637). They evaluate the implications of the neoliberal transformations in agriculture as the process of *impoverishment without dispossession*, and the farmers who are mostly affected by this process are cotton, grain and tobacco producers (p. 640). The findings of this research also indicate that

investments in agriculture have been made through the capital accumulated out of agriculture sector, and it is not possible to talk about the concentration of big enterprises in agriculture (pp. 643-644).

Examination of transformations at the legal and institutional levels helps understand structural transformations in Turkey's agrifood sector. It is also necessary to analyze separate effects of these transformations on specific cases. For example, İslamoğlu et al. (2008) introduced the *impoverishment* thesis, but comparatively they show that it is mostly cotton producers, and grain and tobacco producers to an extent, affected by this trend. Although the comparative method of this study helps researchers to have a nuanced understanding of agrarian change in Turkey, this research arguably lacks ethnographic insight for examining complexities of rural areas. Differentiations between specific commodity producers in terms of various factors such as class, gender, ethnicity and locality exist.

A case study that was conducted in some villages in the Mediterranean and Aegean littoral by Keyder and Yenal (2011) examines how the transformations in Turkish agriculture have changed the lives of farmers in specific localities. This study underlines how "commercial opportunities introduced by global circuits have led to a thriving market in products, land, and labor" in contrast to the rapid de-ruralization of the population in most regions of Turkey (p. 60). By examining fruits and vegetables production in these villages, the authors argue that the transformations in the lives of smallholders are the result primarily of the deepening of commodification in Turkish agriculture (p. 82):

> As village economies become dependent on the dynamics of national and global markets, information channels vital for production are more difficult to access for the majority; off-farm employment gains importance for family survival; the role of intermediaries (merchants, brokers, food corporations, *komisyoncus*) increases and,

> consequently, uncertainty and insecurity rather than permanence and stability become the most defining characteristics of rural life. (p. 83)

Keyder and Yenal's (2011) study, similar to İslamoğlu et al.'s (2008) research findings, underline the general economic situation of farmers in terms of the increasing indebtedness as a result of the rising production costs. Keyder and Yenal, by exploring farmers' strategies for coping with the market situation, provide an ethnographic insight in understanding how farmers stay in their villages and continue producing.

Additionally, some recent studies focusing on actors indicate the importance of relational analysis in examining the changes in agricultural production (Çalışkan, 2007; Kayaalp, 2007). For example, Çalışkan (2007) discusses the nature of cotton production and exchange in a village in the Söke Plains in western Turkey from the vantage point of farmers. He proposes approaching the cotton market as "a power field where farmers encounter the production of price as relatively passive agents of trade" (p. 115). The ethnographic investigation of the interaction between the processes of agricultural production and exchange in this study is significant in terms of its endavor to explain what the market is and how it works in reality by going beyond the macro-level perspectives that explain the persistence or disappearance of farmers' modes of survival (p. 141). Çalışkan's research findings suggest that the farmers' autonomy which increases together with their land size in the field vanishes when they enter the cotton market within exchange relationships (p. 143). Kayaalp's (2007) study also examines changes in tobacco production processes on the basis of farmers' relations with various other actors. From an anthropological point of view, she asks which actors, other than states, are involved in the process of economic (agrarian) transformation in a developing country, and how they relate to each other. She looks at the realm of economic reforms and its link with the global economy as well as the relations between individuals and commodities in general. She discusses "the reasons why farmers ceased the cultivation of

Oriental tobacco, which used to be grown in the region (Düzce) for generations" (p. 74). Then, she introduces the history of Virginia tobacco production there and compares the production processes of these two types of tobacco. The findings of this research show that the newly introduced system of contract farming did not only alter the production process, but also the subjectivities of farmers in Düzce. Kayaalp argues that "farmers' bonds with international actors, either multinationals or nongovernmental organizations are becoming stronger and more determinant than those with the Turkish nation-state: this new attachment to international actors brings about the emergence of a new kind of subjectivity that is governed by the rules of neo-liberalism" (ibid.).

The agrifood sector also increasingly attracts the attention of graduate students (Başaran, 2008; Borlu, 2009; Nizam, 2009). Başaran's (2008) thesis research revises the theoretical debates about petty agricultural producers on the basis of the emergence of contractual relations in tobacco production and the increasing role of transnational organizations in Turkish agriculture. Borlu's (2009) research discusses the reasons and implications of declining sugar beet production in the last decade. Nizam (2009) focuses on a particular topic, the emergence of instruments of intellectual property protection in agriculture (geographical indication – GI). Through a case study of Aegean Cotton GI, she examines how this GI was adopted and developed as a strategic tool by local actors in response to the cost-price squeeze which has intensified after the liberalization of agriculture, and argues that GIs are reconsidered not only as quality schemes, but also as new tools of governance for localized production systems. Although these studies provide important contributions in understanding changes in the Turkish agriculture under neoliberalism, there is still an important gap in this area of research that needs to be filled by critical case studies. The changes in legal and institutional levels give us important clues about what is going on in Turkey's countryside. Yet, at this time of transformation, we need to search more for

entanglement of these transformations in the countryside and in the lives of peasants themselves in order to understand the scope and future of agrarian change.

5. Conclusion

The review of literature on agrarian change and markets in this chapter provides the theoretical framework and conceptual tools of this study as well as underlines its contribution to the related literatures. Except few studies (e.g. Kayaalp, 2007), the agrarian change in Turkey has yet to be examined on the vantage point of farmers. The discussions on corporate food regime and agrarian question put neoliberal transformations in agriculture on the table and help us comprehend the changes in production and exchange processes as well as in the lives of agricultural producers in terms of for example, deepening commodification, the opening of new fields to capital, the rise of new production models (e.g. contract farming), the emergence of new actors (e.g. TNCs), increasing power of corporations, changing role of the state as well as how all these affect the economic situation of agricultural producers. I benefit from these discussions in the subsequent chapter while I am summarizing transformations in the Turkish agriculture since the 2000s and particularly, in sugar beet production.

Yet, this macro-level discussion would not provide us a detailed picture about the implications of the neoliberal food regime that can change according to the crop cultivated and locality under question. Through an ethnographic study, I aim to explore agrarian change in a specific village by looking at the market structure that has been constituted in this locality since the 2000s and how this has affected farmers' economic situation and activities. In this regard, social studies of markets provide analytical tools to understand agrarian change at the micro-level. Considering markets as socio-technical universes, I want to show how farmers as calculative agents play a role in the constitution and functioning of commodity markets, among legal arrangements, institutions, other actors like state and agribusiness, and so on. The focus on farmers' agency is significant to emphasize that neoliberalism does not only create

structural changes, but also transforms farmers' subjectivities which affect their economic decisions. I believe that we need to go beyond the assumption that farmers are willing to integrate into new markets and probe into the ways in which they play a role in commodity markets. Precarious market structure full with risks and uncertainties under neoliberalism turns farmers into choosers and risk-bearers.

In sum, this line of approach to markets as socio-technical constructs frames my research's intention to understand the nature of marketization process in Turkey's countryside on the basis of the economic actions of specific actors and a number of arrangements that have played a role in these actors' economic decisions. These are namely farmers, their cooperatives, the state, national/transnational corporations, and also arrangements that situate these actors' economic actions (e.g. specific regulations, laws, price making mechanisms, and determined technicalities). This approach also provides a space to consider how the market logic is crystallized in rural societies specifically through the transformation of farmers into calculative agents under the neoliberal reconfigurations in agriculture. My empirical study will open up these points. Now, let me elaborate on the neoliberal transformations in Turkish agriculture.

CHAPTER 2

The Neoliberal Reconfiguration of the Agrifood Sector in Turkey: Macro-Level Analysis

> *Agriculture sector is no more an arena where populist policies are implemented. It needs to be considered and developed as an economic sector based on efficiency and human-oriented development.*
>
> Mehmet Mehdi Eker
> (Tarım ve Köyişleri Bakanlığı, 2007).

At the end of a conversation I had with a state official from Konya Provincial Directorate of Agriculture (*Konya Tarım İl Müdürlüğü*), the official gave a number of documents to me and added that "the statistics written here would help you, just skip the 'advertisements'" (interview, March 19, 2010). The documents were the brochures published by the Ministry of Agriculture and Rural Affairs (*Tarım ve Köyişleri Bakanlığı,* MARA) and the title of one was quite similar to what I am researching: *Transformation and Change in Agriculture (2003-2007)*. I first read the above quotation and carefully looked into the "advertisements": the current government's activities in the agriculture sector were presented, or in the words of the state official, advertised under specific subtitles. Right after one of the subtitles -*Structural change period has started in agriculture*- it was written that "Now, agriculture also has a law" and it went on: "Under our government, agriculture is no longer a field of *ad hoc* policies. The law on agriculture, pending for 70 years, was finally enacted. Twelve basic laws were enacted between the years 2003 and 2007…" (TKB, 2007).

The legislation process concerning Turkey's agriculture sector itself gives us an idea about the extent and nature of the transformations in Turkish agriculture since the 2000s. Significant legal regulations have been introduced concerning the functioning of cooperatives, and the tobacco and sugar sectors in Turkey. Especially the period that started with the rule of

the Justice and Development Party (*Adalet ve Kalkınma Partisi,* AKP) in 2002 has witnessed the acceleration of amendments in the legal arena in relation to the agrifood sector in Turkey. One of the claims regarding the legal efforts put forward by the AKP government is that the agricultural policies are taken over from the prior governments and in line with international demands on Turkish agriculture (BSB, 2006; Aysu, 2008; Günaydın, 2009; Aydın, 2010).

Talking about international demands would lead to an analysis of the issue on the basis of the specific relations Turkey has established with particular actors, for example with the European Union (EU), World Bank (WB) and the International Monetary Fund (IMF). But, we should also emphasize that these relations give agency to the Turkish government as it gives consent to neoliberal transformations in the country's agriculture. Accordingly, the agricultural sector itself needs to be examined. This chapter will narrate the process of neoliberal change in Turkish agriculture with a specific reference to the sugar sector. I aim to highlight the following issues with the help of secondary resources (e.g. legal documents and statistics): change in the nature of agriculture, for example, crop patterns, changes in rural employment and cultivated lands; changes in the role of the state and the cooperatives; and changes in the relation among the state, farmers and cooperatives. The chapter will start with an overview of Turkish agriculture before the 1980s, that is, before the advent of neoliberalism.

1. Agriculture in Turkey before the 1980s

> *It is a myth that Turkey used to be one of the seven countries self-sufficient in agriculture. Turkey has never been self-sufficient since there is no way to measure it. The main problem in agriculture is* ***populism****… For many years, agriculture sector in Turkey has been perceived as social solidarity rather than as an economic enterprise… The main problem in Turkish agriculture is about* ***efficiency****.*
>
> Mehmet Mehdi Eker
> ("Tarımda temel sorun populizmdir," 2008).

Agriculture played an important role in the restructuring of the Turkish economy ruined in the war years at the end of the 1910s and at the beginning of the 1920s. The general structure of the 1920s agriculture in Turkey was the following: the great proportion of the population lived in rural areas, primitive technology was under use, only 5 to 10 percentage of arable areas were cultivated, and a clear inequity in land distribution existed –1% of farming families owned 39% of total lands and 87% of families owned %35 of total lands (Ulukan, 2009, pp. 95-96). Discussing agricultural structure in the 1920s should not disregard the legacy of Ottoman agrarian relations.[29] Yet, in time, the inherited Ottoman structures in agriculture disappeared or were transformed into new relations. Among them, the abolishment of the tithe (*Aşar Vergisi*) can be mentioned.

The period from the Great Depression (1929) until the introduction of the Marshall Plan (1948) marks the statist policies in the agriculture sector in Turkey.[30] In this period, the total cultivated land increased from 4.86% in 1927 to 12.25% in 1940, and the state control in agriculture was realized through various mechanisms with the direct integration of publicly-owned institutions in agriculture (Ulukan, 2009, pp. 98-99). İlkin and Tekeli (1988) discuss

[29] For a detailed discussion of Ottoman agriculture, see: Ercan (2008).

[30] For a detailed analysis of this period, see: İlkin & Tekeli (1988).

the factors that affected the aims and principles of the agricultural policies in this period in three areas: (1) the worldview adopted by the Republic - populism and positivism, (2) the policies Turkey were forced to follow in the aftermath of the Great Depression –self-sufficiency and increasing varieties in agriculture, and (3) the aims to transform the structure of Turkish agriculture – by the effective use of labor and increasing production through doing extensive agriculture (pp. 38-41). As the authors stress, a contradiction emerged between the populist policies of the state and production based on small peasants who carried the most burden of agrarian production. The agriculture sector was not protected and was dominated by low world prices, and it was not possible for the state to increase production with these low prices by encouraging capitalist enterprises in agriculture (ibid., p. 41). In order to resolve the mentioned contradiction, the state implemented a number of policies such as increasing domestic demand for agricultural outputs by industrialization, decreasing the price fluctuations by establishing agricultural sales cooperatives and making purchases (ibid.). Thus, significant developments in various sub-sectors in agriculture (e.g. in agricultural credits, marketing of agricultural products) were put into place by the Turkish state right after the Great Depression in the framework of the above-stated three factors. Also, in 1945, a law (*Çiftçiyi Topraklandırma Kanunu*) was enacted in order to open public lands to cultivation and distribute them to small farmers to win votes in rural areas. However, the state's quest for an opportunity to establish capitalist relations in agriculture, which emerged during the implementation of the Marshall Plan in the late 1940s[31], could not be fully realized because of developments in the 1950s.

[31] The slow capitalization process gained momentum in the 1950s with Marshall Aid that promoted mechanized agricultural production and contributed to the intensification of state support for agriculture (Aydın, 2010, p. 153).

Thanks to the opening of new lands to cultivation and continuing support to producers by the Turkish state, capital accumulation in agriculture was attained through the cultivation of small lands by landowners (Ulukan, 2009, p. 104). In other words, the rise of populist policies under the Democratic Party (*Demokratik Parti,* DP) government prepared the ground for the domination of petty commodity producers in agricultural production, rather than capitalist farmers (Keyder, 1993, p. 183). Clearly, although capitalist relations could not be extensively established due to DP's support to small farmers, DP's success as an advocate of the market economy against statist policies, and the increasing integration of small farmers into the market economy cannot be disregarded. In spite of the liberal economic policies in the 1950s, the state continued to have a significant say in Turkish agriculture and accelerated modernization in agriculture. It subsidized modern inputs and also supported agriculture through the establishment of cooperative unions, such as Figs, Raisins, Cotton and Oil Seeds Agricultural Sales Cooperatives Union (TARİŞ), Cotton, Peanuts, Oil Seeds Agricultural Sales Cooperatives Union (ÇUKOBİRLİK), and Hazelnut Agricultural Sales Cooperatives Union (FİSKOBİRLİK) (Çakmak et al., 1999). In short, the 1950s witnessed an important change in Turkey's agricultural structure: cultivated areas expanded, modern inputs started to be extensively used (e.g. in parallel to the implementation of Marshall Aid, the number of tractors increased from 1,800 to 44,000 between the 1948 and the 1956), which led to a surplus of labor force in rural areas; as a result of all these developments, rural population started to migrate to cities (Ulukan, 2009, p. 104).[32]

Towards the end of the 1950s, DP-led policies reached a bottleneck; in the 1960s, the import substitution model (ISI) was adopted. ISI represents a transition from the model of

[32] The increase in agrarian production and exports is not only based on the use of tractors and other modern agricultural inputs and credits provided by the USA. We should not disregard the world conjuncture at this time, for example the effects of the Korean War which opened new markets for also Turkey to export grain.

capital accumulation based on agriculture and commercial capitals to the one based on industrial capital producing for domestic markets (Ulukan, 2009, p. 105). During this developmentalist period, the state continued to carry its role as a regulator and was an important purchaser and price maker in the agriculture sector. The state aimed to extend and intensify commodity production and the most common policy tool to increase productivity included implementation of support prices for agricultural commodities, input subsidies and subsidized credit (Aydın, 2010, pp. 150-153). Turkey's search for new tools to increase production in agriculture coincides with the US-led Green Revolution, which was promoted to increase productivity in agriculture remove the need for land reform. This created income inequality in agriculture with the use of high-yielding seed varieties and other technological innovations: Since the cost of input subsidies was high, large-scale farmers who had capital employed these new technologies (Ulukan, 2009, p. 106).[33] Contrary to what happened elsewhere under the impact of the Green Revolution, Turkish agriculture was not integrated into the world market and capitalist relations in agriculture did not develop in the ISI period due to the state's protective and supportive mechanisms towards this sector (Ercan, 2004, as cited in Ulukan, 2009, p. 107). In this world conjuncture, nevertheless, Turkey started to search for new economic models as domestic capital accumulation reached its limits (Ulukan, 2009, p. 107).

2. Marketization Process in Turkish Agriculture since the 1980s

The 1980s mark an important turning point in the Turkish economy. The period started with the implementation of the well-known January 24, 1980 Decisions which integrated Turkey into international capital accumulation process. The agriculture sector was also affected by this process.

[33] For a critique of Green Revolution, see: Köymen (2008).

As the new international division of labor between the North and South transformed world agriculture and food production, Turkish agrifood sector has also gone through important transformations. The transformation of Turkish agriculture since the 1980s coincides with the changes in the international food order towards national deregulation and internationalization (Yenal &Yenal, 1993, p. 32).

Significant reforms have been undertaken, especially after Turkey signed the Agreement on Agriculture (AoA) of the World Trade Organization (WTO) in 1995. This binding document requires the removal of tariffs against imported agricultural products as well as the elimination of state support policies for agriculture (Kayaalp, 2007, p. 75). The policies implemented in Turkish agriculture between the 1980s and the 2000s can be described as a gradual shift from state intervention to a "free market" economy (Aydın, 2002, p. 183). According to Aydın (2005), prior to the December 1999 letter of intent submitted to the IMF, "the agriculture sector was given a long leash as far as full liberalization was concerned" (p. 159). By this letter of intent, the Turkish government promised to abolish subsidies given to farmers and their organizations as well as privatizing and commercializing public assets in agriculture and related activities (Aydın, 2005, p. 160). Further, in June, 2000, Turkey signed the Economic Reform Loan (ERL) Agreement with the World Bank and both IMF's Standby Agreements since 1999 and the ERL are considered as the main motives behind the Turkish government's 2001 Economic Reform Program, which includes extensive reforms in agriculture (Aydın, 2005; BSB, 2008; Boratav, 2009). In 2001, Turkey signed the Agricultural Reform Implementation Project (ARIP) with the WB, carried out until 2008, whereby the Bank monitored the execution of pledges made by the ERL agreement as well as intensified the transformations in Turkish agriculture (Aydın, 2005; Oyan, 2009). These developments in Turkish agriculture in terms of opening Turkish agriculture to world markets

and diminishing the control of state have been fortified by the Agriculture Law (*Tarım Yasası*) passed in 2006.

The enactment of the Agriculture Law in 2006 was promoted by the government as a "constitution" for the sector ("Tarım sektörü anayasasına kavuştu", 2006). Whether the law stands as a constitution with a well-defined framework for the extensive regulation of Turkey's agriculture sector is open to question. Yet, an analysis of this law is significant in the sense that it explicitly states the objectives, principles and priorities of agricultural policies as well as specifying the dynamics of agricultural support mechanisms.

In Article 5, the principles of the agricultural policies are stated and those principles themselves give us a clue about the direction of changes in Turkey's countryside. Various topics from agricultural production to governmental issues are pointed out in this article of the law. In addition to the ones related to the issues of sustainable agriculture and food security, the principles are analyzed under three main headings: (1) conformity with the demands of international agreements, (2) conformity with fully-developed market economy, and (3) increasing the role of civil society. These points are further clarified in Article 6 with the statement of the priorities of agricultural policies.

Article 5 (b) states that agricultural policies should comply with international agreements. Although what kind of agreements these are is not explicitly expressed, Article 6 (l) refers to Turkey's accession process to the EU and the necessity to fulfill the demands of this process.

Interpreting the articles related to international agreements only in terms of Turkey's efforts to join the EU would be limited. As Aydın (2010) argues, "demands [that are] made by the IMF, the World Bank, the WTO and the EU on Turkish agriculture show remarkable similarities and complementarities" (p. 161). Besides, the statement of such a principle about meeting the requirements of international agreements in the Agriculture Law does not

necessarily mean that the steps taken by the Turkish government to regulate (and deregulate) agriculture are always in line with international agreements. Needless to say, the internal dynamics of a country are also likely to shape agricultural policies, which may or may not be in conformity with international demands.

Article 5 (c & d), stresses the need of agricultural supports to be in line with the market mechanism and of an increase in the role of the private sector. Without a doubt, the Turkish government here prioritizes compliance with the needs of a fully-developed market economy in the restructuring of the agriculture sector, and the following clauses reflect this point more specifically: increasing competition in agricultural production (6/a), developing the markets for agricultural inputs and products, and maintaining the integration of production and markets (6/d), making the administrative and legal regulations that the common market regimes propose to meet the requirements of the EU full-membership process (6/l).

The articles stated above clearly reflect the intention to roll back the state from the production and marketing spheres in Turkish agriculture. However, emergence of new actors, in addition to the private sector, needs to be pointed out in order to understand which actors enter into the realm that was left by the state institutions and organizations. Here, the rise of civil society organizations in Turkish agriculture stands out.

Article 3(l) defines civil society organizations (CSOs) that are active in the agricultural arena and this includes cooperatives, unions, associations and foundations. The mention of cooperatives and unions here is problematic and I will discuss their transformation later in this chapter. Yet, the articles regarding the civil society are important: they show the intention to increase the role of CSOs in the restructuring of Turkish agriculture as well as their supposed potential for affecting agrarian policies.

Articles 5/f, 5/g and 6/ı stress the importance of local and participatory rule and the development of producer organizations. I think this emphasis itself suggests the change in the

role of the state and also the emergence of new actors in Turkey's agriculture sector. For example; Article 9 says that "the Ministry makes the necessary regulations for the participation of CSOs, the private sector and independent consultants in agriculture and farmer trainings; it encourages their participation, specifying their work principals and controlling their activities." On the basis of these statements, we understand that the Agriculture Law gives a role to CSOs, but the extent of this role is unclear.

The Agriculture Law further addresses the issue of agricultural supports in line with the statements discussed above. Agricultural support is perceived as a tool that contributes to the implementation of agricultural policies (Article 18/a). Articles 18/b and 18/c state that agricultural supports need to be in agreement with the EU legislation and international commitments, and the producers need to conduct their activities under market conditions. Article 19 specifies instruments of agricultural support as direct income supports, deficit payments, compensatory payments, animal husbandry subsidies, crop insurance payments, rural area development subsidies, subsidies for protecting environment-oriented agricultural areas program, and other subsidies.[34] The Agriculture Law also addresses the agricultural subsidization budget and this constitutes the most controversial issue related to this law in the following sense. Article 21 states that resources reserved for agricultural subsidies cannot be below one percent of the GNP. Yet, for example; the budget reserved for the agriculture sector was below one percent of the GNP in 2009 (to be exact, 0.45 percent) (Günaydın, 2009, p. 183).

[34] Actually, the agricultural support instruments are not clearly put forward for the first time by the Agriculture Law. In the document "The Agriculture Strategy" (a decree issued by the Supreme Planning Council in 2004) that covers the period between 2006 and 2010, the subsidization means are pointed out in a similar way. For the full document, see: http://www.arip.org.tr/eng/tys.htm

Lastly, the Agriculture Law also puts an emphasis on contract farming, which depicts an important point of change in Turkey's agricultural production. Contract farming is defined in the article 3/h as an agricultural production type that is conducted by written contracts and is based on mutual interests between producers and growers, and corporations and other people. It is also stated that the ministry makes the necessary regulations for the development and spread of contract farming in the agriculture sector. It envisages supports specified in this law to be given to producers to stimulate contract farming (Article 13).

In sum, the Agriculture Law that was promoted as the constitution of the agriculture sector in Turkey gives us a sense about transformations in Turkish agriculture: for example; in terms of liberalization of agricultural production, increasing role of civil society in agriculture sector, changes in support mechanisms, emergence of new production relations (e.g. contract farming). In what follows, I will discuss transformations in the agriculture sector in Turkey through specific sub-sections related to the questions of this research in order to draw a clear map of Turkey's changing agrarian relations after the 1980s, especially since the 2000s. This will include illustrative statistics to shed light on for example, changes in rural population, agriculture's share in Turkey's economy, and support mechanisms.

2.1. Agriculture, Land and Rural Population

In a brochure "Changes and Transformations in Agriculture (2003-2007)" published by the Ministry of Agriculture and Rural Affairs, the current Minister of Agriculture confidently states that the agriculture sector is growing: "Since the establishment of the Republic, agriculture sector grew in three years in row: its contribution to the national economy was 21.8 billion dollars in 2002 and reached to 38.9 billion dollars in 2006" (TKB, 2007, p. 18). A similar emphasis was made on the development of agriculture in 2009, although this was the year of the global financial crisis at a meeting of the General

Directorate of Agricultural Enterprises (*Türkiye Tarım İşletmeleri Genel Müdürlüğü*, TİGEM) that I participated in "8th Konya Agriculture, Stock Breeding and Dairy Industry Fair" (2010, March). This observation was very remarkable as in the following: "2009 was a fertile year. While most of the sectors have shrunk due to the global crisis, the agriculture sector grew in 2009."

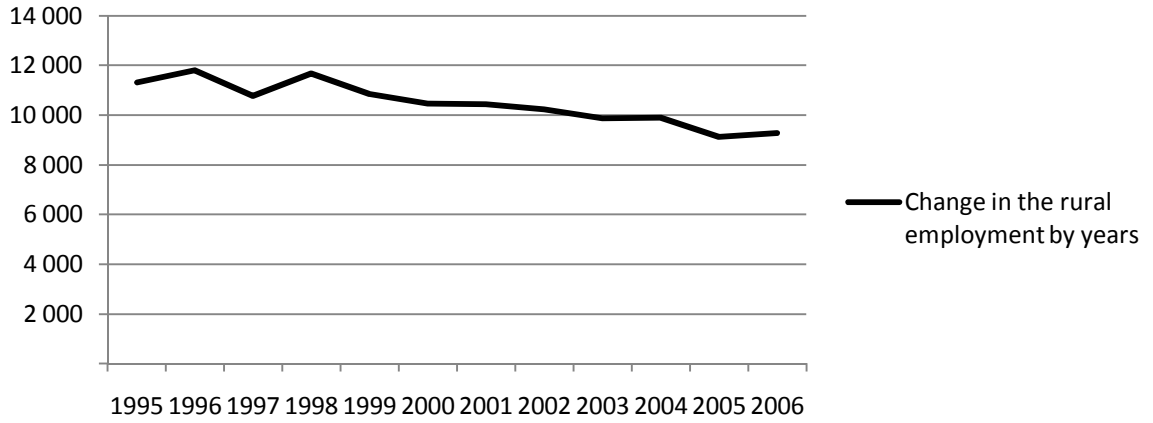
After the meeting, I started to question whether the growth of the agriculture sector in the last years can be explained by the AKP's so-called positive steps, as the state official emphasized over and over. In one of the interviews I made during the Konya Fair with an agricultural economist, I asked him how he interpreted the growth in the agriculture sector (interview, March 15, 2010). He emphasized the difference of agriculture sector from other sectors and its importance in the supply of current budget deficit by arguing that "in crisis periods, it is not the agriculture sector that is mostly affected, but it is rather the service sector." Thus, while a state official evaluates the growth of agriculture sector on the basis of the "success" of the government's policies, the economist approaches the growth from a macro perspective and pinpoints the agriculture sector's "natural" characteristics within the whole economic system. This discussion shows that we should have a look at the changing share of agriculture in the national economy. It shows a rapid decline after a long stable period: While the share of agriculture in GDP was about 45% in the 1920s and 40% at the end of the 1960s, it declined to %25 in 1980. In the following years, this ratio continued to decrease and fell to 13% in 2000 and 11,5% in 2005 (Günaydın, 2006, p. 14).

Although agriculture's share in the national product has declined, as a recent OECD report (2011) recognizes, the Turkish agriculture sector is still important; in 2009, it was "the country's largest employer, representing 25% of the workforce, and a major contributor to GDP, representing 8% of economic activity." The report also addresses the importance of the position of Turkish agriculture in the global markets and states that "Turkey is the world's 7th

largest agricultural producer, and a top producer and exporter of crops ranging from hazelnuts and chestnuts to apricots, cherries, figs, olives, tobacco and tea."

The Minister of Agriculture Eker ("OECD Türkiye Tarım Raporu", 2011) evaluated this report by stating that despite a decreasing agricultural population, Turkey has seen a constant increase in agricultural production in value terms. The proportion of rural population in total population was 71.3% in 1970, 64.1% in 1980, 48.7% in 1990 and 42.7% in 2000. After the 2000s, this proportion continued to decrease and retreated to 37.3% in 2006. We also witness a decrease in total rural employment between 1995 and 2006 as Figure 2 below shows.

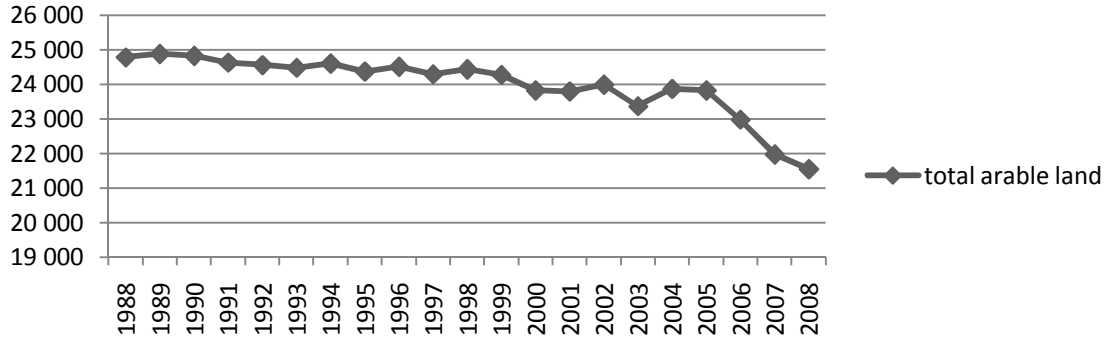
Figure 2 **Total rural employment in Turkey by year (thousand person, 15+age)**



Note. Adopted from TÜİK.

Additionally, in Turkey's countryside, there has been a decline in total arable land which has accelerated especially after 2005 (see Figure 3). The decrease in 2005 can perhaps be explained in terms of the enactment of The Soil Protection and Land Usage Law in 2005 which prepared the ground for the use of agricultural lands as zoning areas (e.g. organized industrial zone). Arable land continued to decline in the second half of the 2000s from 23,871,000 hectares in 2004 to 21,351,000 hectares in 2009.

Figure 3 **Total arable agricultural land in Turkey by years (thousand hectare)**



Note. Adopted from TÜİK.

In sum, the share of agriculture has decreased in Turkey's national economy in terms of its relative contribution to GDP, in terms of employment, and total cultivated and arable land. Yet, agriculture is still an important sector in Turkey, as the 2011 OECD report notes. The question at this point should be in what sense the countryside has importance for Turkey: Is it still the arena for the implementation of populist policies or has it become a modern and industrial player in global markets?

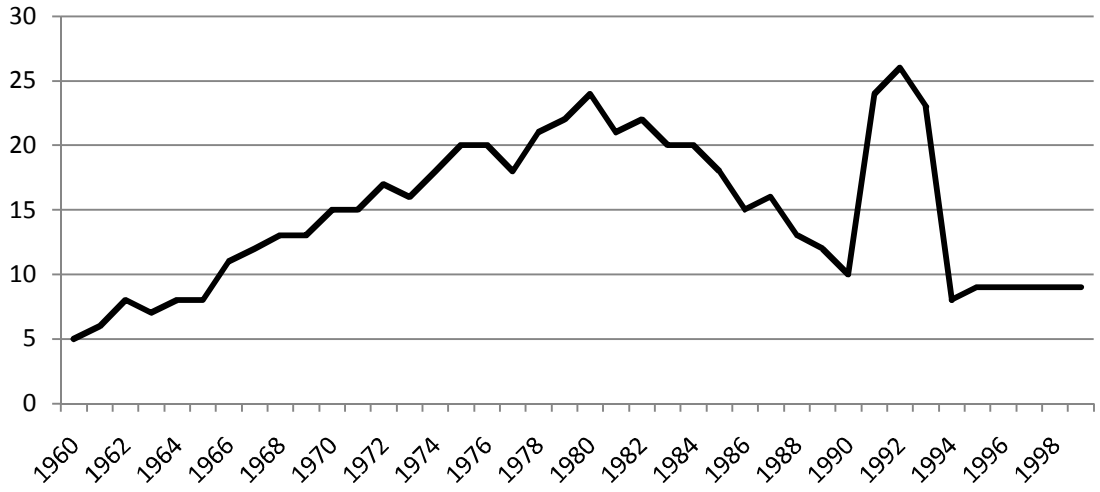
2.2. Change in Support Policies

Since the 2000s, Turkey has pursued a policy whereby it seeks to cut down the budget share of agricultural supports (Akder, 2003). The literature that discusses this subsidy reform is divided into two camps: the ones approaching it in the framework of the promises given to the IMF and WB (Günaydın, 2002; Aysu, 2008; Aydın 2005) and the ones who criticize the viewpoint that the reform was an imposition by outside powers (Akder, 2003). For example, Akder (2003) argues that the critics of the agrarian reform are identified with the opposition to international organizations and this puts together all the opposition to change into one camp. For him, this results from political parties' unsuccessful policies, which could not be able to take the consent of civil society in the implication of the reform package by promoting the reform as a necessity. It is possible to give credit to the views similar to Akder's consideration that the "subsidy reform" package is not only the imposition of outside/international powers.

Yet, the emphasis on the topic of "support system" in Turkey within for example, the IMF standby agreement, the WB's Agricultural Reform Implication Project (ARIP) and also the EU's Common Agricultural Policy (CAP), and its so-called disadvantages to the national economy should not be disregarded (Aydın, 2005). In order to illuminate this debate, I will discuss both qualitative and quantitative changes in agricultural support policies.

The targeted changes in the agricultural support system can be traced back to the 1980s. In line with the liberalization efforts of the Turkish economy, decreasing government intervention into agriculture and support purchases came on the agenda after the January 24 decisions. By the year 1981, the number of crops supported started to decrease: while the number was 21 in the 1982, it decreased to 10 in the 1990. In 1991, which was an election year, the governing party increased the number of crops supported. This policy was maintained by the coalition government after the elections and the number of crops supported reached 26 in 1992 (TKB, 2000). After the April 5 Decisions and the promises given to the IMF, agricultural supports were revised: except cereals, sugar beet and tobacco, the number of crops supported dropped to 8 in 1994 (ibid.). We witness the continuity of the similar policies in line with the April 5 decisions until the 2000s. The following chart illustrates the change in the number of agricultural products supported between 1960 and 1999.

Figure 4 **The number of crops supported in Turkey between 1960 and 1999.**



Note. Adopted from TÜİK.

In the 7th Five-Year Development Plan (DPT 1996-2000), the seeds of the implementation of the new support system in agriculture –direct income support mechanism- were planted. The *price support system* was replaced by the *direct income support system* in 2001 and remained in force until 2008.[35] This new support system has been criticized as it decoupled production costs from prices (giving support on the basis of the land size irrespective of agricultural production) and so intensified the "dissolution process" in Turkish agriculture (BSB, 2008; Günaydın, 2009). This support system was abandoned in 2008 with a decline in its share in the budget.[36] An important legacy of the income support system is the farmers' registration system (*çiftçi kayıt sistemi*), which is a prerequisite for farmers to receive agricultural supports.[37] Farmers have been forced to be registered in this system in order to

[35] The Agricultural Reform Implementation Program (ARIP) played a significant role in the transition to the direct income support system (İstanbul Ticaret Odası, 2007, p. 89).

[36] In 2001, 59 percent, in 2002, 79 percent and in 2003, 83 percent of agricultural supports were allocated to direct income payments. After 2004, its share in the budget started to decline (BSB, 2008, p. 170).

[37] "Land registration" is an issue discussed widely in development studies. Critical approaches consider this issue as one of the development narratives. For example, on the basis of an ethnographic study conducted in

benefit from supports and this registration necessitates land titles. In fact, given that many farmers cultivate lands which are not legally in their possession, but in other members of their family, a substantial number of farmers could not be able to benefit from income supports.[38]

Besides, a general decrease in the ratio of agricultural subsidies to the GNP has also been observed by the end of the 1990s. For example, according to the World Bank Report (2004), between the years 1999 and 2002, the ratio of agricultural subsidies to the GNP declined from 3.2 percent in 1999 to 0.5 percent in 2002 (as cited in Günaydın, 2009, p. 180).

Although the above picture of the support system in Turkey emphasizes the decrease in the number of supported crops and the share of agricultural supports in the budget, new support mechanisms were launched after the abolishment of direct income support system in 2008 (also see Oral, 2010). The Agriculture Minister stated that "our government has put into practice new agricultural support tools which are based on quality, health, efficiency and rural development in lieu of the ones not related to production and efficiency; and in this regard, 23 new support implementations have been instituted" (Eker, 2010). Among these are loans with low interest rates, soil analysis support, equipment support, certified seed support, fuel oil and chemical fertilizer support, various premium payments (*prim destekleri*), specific supports in livestock breeding, rural development support, alternative crops support[39] and so on. These all newly introduced support mechanisms signal the transformation from the support system that

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Kenya, Roe (2005) criticizes the discourse that land registration leads to agricultural productivity and increase credit opportunities by stating that empirical studies failed to find a positive causal link between registration and productivity as such (p. 316).

[38] This is an important point of discussion that also came to fore during my fieldwork study and necessitates an in-depth examination on the basis of farmers' own divergent experiences with the land registration system.

[39] The alternative crops project is part of the ARIP. New crops have entered into the Turkish diet thanks to this project (Aydın, 2005, pp. 160-161).

is based on purchase and price supports to one that is based on premium payments and remittance support (*hibe desteği*). This change in the support system has opened the ground for the entrance of new actors into the agriculture sector, most importantly civil society organizations that develop projects for farmers to make them able to benefit from the supports. For example, if a farmer wants to benefit from the state's remittance support for buying new agricultural equipment, he/she applies to this support through a third party that writes a project to show how this farmer will make use of this equipment. Although these new supports create an image that farmers are supported by the state extensively, they all necessitate farmers' registration and depend on land size and number of animals. New supports can also be interpreted as a mechanism to make farmers become a part of new markets. For example, the implementation of the support for alternative crops encouraged farmers to produce export-oriented cash crops rather than staple crops (Aydın, 2005, p. 161).

Further, a new support system is under way called "Turkish Agricultural Basins Production and Supporting Model" (*Türkiye Tarım Havzaları Destekleme ve Üretim Modeli*). This model first of all depends on a surveillance of all kinds of agricultural products and lands by region and so expands the farmers' registration system. This model is promoted as such: "30 agricultural basins are determined in Turkey for the first time by our ministry, by the evaluation of an inventory consisting of substantial statistical data on climate, soil, topography, land quality and use types" (Eker, 2010). The ministry calls this model as a dynamic system that will increase the efficiency of support policies, maintain the equilibrium of demand and supply, decrease the burden on the shoulders of the public sector, increase profits and efficiency and, protect and sustain natural resources (ibid.). This model is called dynamic in the sense that it will evaluate farmers' reactions to the system via the help of civil society organizations. In the meeting I participated in the Konya Fair where this new model was discussed, the state official put more emphasis on the dynamism of the system by stating

the importance of civil society participation in the implementation of this model, of the feedbacks they will get from them.

The present situation, especially the promotion of the Agriculture Basin Model, suggests the emergence of a new governmentality model in agriculture. By the use of new technologies, the government intends to map agricultural production practices and make possible their registration. Following İslamoğlu's evaluation of this new support model, we can consider it as a technocratic approach which falls behind taking farmers and their problems into account: "Product engineering looks to what kind of crops, in what quantity and in which region need to be cultivated, and evaluates production and the conditions of production in terms of capital and product markets" (in Atayurt & Göktürk, 2010, p. 20). Since this model has not yet been carried out to a significant extent, it is not possible to speculate further on it. However, it has so far created a controversial environment and will be an important research topic for social scientists in the following years.

It is clearly not only the changes in support mechanisms tell us about particularly the transformation of state's role in agriculture sector and the changes in agriculture in general; the privatization of publicly-owned enterprises should also be discussed.

2.3. Privatization of Agricultural Enterprises and the Cooperative Sector

State Economic Enterprises (SEEs), from the ones operating in agricultural trade [for example, Turkish Sugar Company (*Türkiye Şeker Fabrikaları A.Ş.,* TŞFAŞ) and Turkish Alcohol and Tobacco Monopoly (TEKEL)] to the ones involved in the production and distribution of agricultural inputs, such as the General Directorate of Agricultural Enterprises (TİGEM), have been significant actors in the Turkish economy from the beginning of the Republican period in terms of the organization and support of agriculture. SEEs have been the

tools of agricultural support in Turkey. Trade, warehousing and/or processing of agricultural products have been among the functions of these organizations; regulation of prices and agricultural incomes were among their major aims.

The ground for the privatization of the SEEs in Turkey was prepared in the 1980s. In 1985 "Privatization Main Plan," developed with the support of the WB, and the Law "Concerning the Privatization of State Economic Enterprises" (no: 3291) were enacted (Ulukan, 2009, p. 115). In the period between the years 1990 and 1999, Turkey Milk Industry Institution (SEK), Feeds Industry (YEMSAN), Meat and Fish Institution (EBK), Forest Products Industry (ORÜS), Turkey Agricultural Equipment Manufacture and Sale Company (TZDAŞ) and Turkey Fertilizer Industry (TÜGSAŞ) were privatized partially or totally (ibid.).

The privatization of these public organizations was accelerated after the February 2001 financial crisis by two principal laws concerning sugar beet and tobacco production. Although the Turkish government opened its market to foreign tobacco companies and to the import of cigarettes in 1984, TEKEL was the monopoly in the production and distribution of tobacco in Turkey until 2002, when Tobacco Law was ratified by the Turkish Parliament (Kayaalp, 2007, p. 75). This new law aimed to replace the price support system with one based on competitive auctions and contract farming, and limit the areas where tobacco could be grown as well as incremental privatization of TEKEL (ibid., pp. 75-76). Consequently, through the commercialization and privatization of state-run business in tobacco sector, tobacco production in Turkey decreased and the country lost its large share in the world tobacco market (Aydın, 2005, p. 168). A similar trend to tobacco production has been experienced in the sugar sector. The Sugar Law that was passed in 2001 laid the ground for the privatization of publicly owned sugar companies, introduced the quota system in the share of sugar factories within the internal market, and opened the internal market to competition as

well as minimizing the state's influence on the sugar sector (ibid., p. 165). The changes in the sugar sector will be more extensively discussed in the following pages.

Clearly, the transformations in the Turkish agrifood sector and in the state support system are not only reflected in the privatization of publicly owned entities. The cooperatives that play a significant role in agriculture have been completely transformed by new legal arrangements on agricultural sales cooperatives (BSB, 2008, p. 181). Agricultural sales cooperatives that were established in the 1920s and the 1930s by specific laws had been managed as SEEs: They emerged as part of the industrialization efforts and became indispensable means of state support policies in the 1960s with the stress on planned development (Dağ, 2007, p. 96). They had been perceived as a parastatal mechanism that shields farmers from market instabilities. Then, the restructuring of agricultural sales cooperatives and their unions (UASCs) in the 2000s, as being one of the main components of the Agricultural Reform Implementation Program (ARIP), has created a controversial issue about the future of cooperatives in Turkey. Some argue that the UASCs Law (Tarım Satış Kooperatifleri ve Birlikleri Hakkında Kanun, 2000) has prepared the ground for privatization of the production units belonging to farmers, and so will increase vulnerability of farmers to the invasion of corporate interests into farming (Aydın, 2010, p. 163) as well as delinking farmers from their own organizations (Aysu, 2008, p. 198-199). Although the cooperatives and their unions are not directly privatized, Aysu (2008) claims that they will become part of corporations even if not completely dissolved:

> Agricultural sales cooperatives are in the possession of farmers, but until recently they have been under the tutelage of the state. The democratization of these cooperatives and letting producers directly participate into decision-making processes are surely the producers' demand. However, the IMF, under the veil of "making autonomous", intends to cut the government's budget allocated to the unions, which will in time

make them private organizations. When the unions are privatized, whose possession will they come into? Clearly, of the corporations (p. 196)

Although the Turkish government promoted the 2000 UASCs Law as a way to make cooperatives more efficient, competitive and also independent from political powers, critics see this law as defunctionalization, or dissolution, of the cooperative system in Turkey (Aydın 2010; Günaydın 2009; BSB 2008). Three issues addressed in this law support the critics: (1) conversion into joint stock companies, (2) eradication of state support and (3) establishment of the "Restructuring Board."

1. Transition to Joint Stock Companies

Article 3 states that the production units established by cooperatives and unions for future production processes will function as joint stock companies. Actually, gaining such a status is not limited to newly built production units and it is also specified that processing plants that belong to the unions may be converted into joint stock companies by this law (Provisional Article 1/F). The status of joint-stock company clearly expects the agricultural sales cooperatives to function as private businesses: specific percentage of shares of these cooperatives is opened to the market and so, the only owners of these organizations are not farmers. Then, to what extent would these organizations pursue the interests of farmers and stay as farmers' organization? To answer this, it is necessary to have a look at unions, or cooperatives.[40]

[40] The agricultural sales cooperative sector includes 15 ASCUs: namely, TARİŞ-Pamuk (Cotton Agricultural Sales Cooperatives Union), TARİŞ-Fiğ (Fig Agricultural Sales Cooperatives Union), TARİŞ-Kuru Üzüm (Raisin Agricultural Sales Cooperatives Union), TARİŞ-Zeytin yağı (Oil Seeds Agricultural Sales Cooperatives Union), ÇUKOBİRLİK (Cotton, Peanuts, Oil Seeds Agricultural Sales Cooperatives Union), ANTBİRLİK (Antalya Cotton and Citrus Fruits Agricultural Sales Cooperatives Union) , FİSKOBİRLİK (Hazelnut Agricultural Sales Cooperatives), TRAKYABİRLİK (The Oilseeds Agricultural Sales

2. The State Withdraws from the UASCs

The UASCs law explicitly declares that the state or any other public organization will no longer provide financial support to unions and cooperatives except the support allocated from the fiscal year 2000 budget with the aim of restructuring, and the financial resources and loans supplied by international financial organizations directly or indirectly (the provisional article 1/E). This reflects the aim of the state to make unions and cooperatives "autonomous" bodies. In Aydın's (2000) words, by this very intention, the state in fact washes its hands of the agricultural sales cooperatives (p. 162). The need for structural reform of the agricultural sales cooperatives is attributed to earlier unproductive and fiscally unsustainable state interventions in the cooperative sector, which had left the ASCs and their unions heavily indebted (The World Bank, 2001, p. 15).

The question whether this restructuring process has made cooperatives independent bodies that pursue the interests of producers is debatable. Some consider the UASCs law as having prepared the ground for privatization of these farmers' organizations rather than making them independent bodies, saying that it serves the interests of agrifood corporations rather than of producers (Aysu, 2007). Yet, I think that it is still hard to argue that state support for cooperatives and unions has totally been erased. For example, the AKP government made support purchases through the Soil Products Office (TMO) in order to placate the opposition of the hazelnut producers that emerged as a result of the governments'

Cooperatives Union of Thrace), KARADENİZBİRLİK (The Oilseeds Agricultural Sales Cooperatives Union of Black Sea), GÜNEYDOĞUBİRLİK (Agricultural Sales Cooperatives Union of Southeastern Turkey), MARMARABİRLİK (the Olive Agricultural Sales Cooperatives Union), TASKOBİRLİK (Grape and Grape Products Agricultural Sales Cooperatives Union), KOZABİRLİK (Bursa Cocoon Agricultural Sales Cooperatives Union), TİFTİKBİRLİK (Mohair Agricultural Sales Cooperatives Union), GÜLBİRLİK (Roses and Rose Products Agricultural Sales Cooperatives Union).

adverse policies towards Fiskobirlik (the Union of the Hazelnut Producers) in the Black Sea Region (Oyan, 2009, p. 249). This example supports the consideration that despite neoliberal and radical institutional reforms since the 1980s, populist forms of market governance in Turkish agriculture continues (Güven, 2009). Güven's (2009) work on the support regime in Turkish agriculture suggests that while analyzing the transformations in the role of the state in agriculture, the continuity/resilience should be taken into account as well as change. He approaches the current support regime in Turkish agriculture as a hybrid that "represents a compromise between the continued political charm of populist corporatism and the global drive toward better targeted subsidies" (p. 181). This consideration is important for this research in the sense that it shows that populist policies still exist in Turkish agriculture although the state has taken a distance from agricultural sales cooperatives by defunctionalizing and/or privatizing these organizations.

3. The "Restructuring Board"

The Provisional Article 1/D is about establishing the Restructuring Board, which is responsible to the Ministry of Trade and Industry, with the aim of providing assistance to agricultural sales cooperatives. The activities of the Restructuring Board are specified in the World Bank's Agriculture Reform Implementation Program (ARIP). As it is stated in ARIP, in the Component C (Agriculture Sales Cooperatives and Cooperative Unions Restructuring), the World Bank provides technical assistance to the agricultural sales cooperatives "to assist them in designing and implementing: (i) restructuring measures; and (ii) business development and capacity building programs" (WB Report, 2001, p. 16).

Aysu draws attention to the Restructuring Board from the viewpoint of farmers themselves. He states that a relation similar to the one between IMF and Turkey is established by the Restructuring Board: "It is said that if you sell commercial outlets and your lands, lay-off workers, and transform integrated facilities into joint-stock companies, we will clear your

debts" (in Atayurt & Göktürk, 2010, pp. 25-26). Aysu interprets this process as defunctionalizing of the unions and claims that these debts were not belong to farmers since they had not run these businesses, rather they were under the state tutelage: "We declared during the restructuring process that the problematic articles concerning the functioning of cooperatives need to be dissolved, we should work and compete along with private enterprises; and if they can provide better products, they would close down unions' initiatives. Yet, we were dissolved by the very hand of the law, not in the process of competition; but so before we step into the field" (ibid., p. 26). Here, Aysu stresses that the very intent of the establishment of Restructuring Board has achieved successfully by the privatization of capital structure of cooperatives and turning them into joint-stock companies. Besides these critics, the prolongation of the board tenure is at stake. The four-year long tenure settled by the law is extended and still in force although the commission was closed legally (Yıldırım, 2007).

In sum, as İslamoğlu et al.'s (2008) recent study depicts, we witness a process since the 2000s in which the cooperatives are regulated according to the needs of the global economy and it is expected from the farmers to act as traders who sell their products at market prices. Turning farmers into traders is important and I will explore this point in the next chapter while providing an analysis of my fieldwork. Further, I will exemplify the above discussions on the privatization of SEEs and the changes in the cooperative sector on the basis of the sugar sector and beets producers' union, namely Pankobirlik in the last section of this chapter. Before this, let me elaborate on the issue of globalization/transnationalization of agrarian markets in Turkey through the case of contract farming.

2.4. A New Production Model: Contract Farming and TNCs

Contract farming is not a recent phenomenon in the history of Turkish agriculture. In the food industry, the establishment in 1926 of the first sugar factory in Turkey (Turkey Sugar

Factories-TŞFAŞ) is at the same time the beginning of contractual relations in agriculture (Rehber, 1998, p. 30). In this regard, an analysis of the changes in beet cultivation processes carries an additional importance with regard to the development of contractual relations in Turkish agriculture.

This new form of production as we understand today[41] started to take its shape in the 1960s, as a relation between the Turkish state and farmers and/or as a way to modernize Turkey's agriculture sector. In this period, the farmers also started to make contract farming with the General Directorate of Agricultural Enterprises in Turkey (TİGEM) to produce seeds (Ulukan, 2009, p. 129). Since the 1970s, these contractual practices implemented with the TŞFAŞ and TİGEM spread to private sector in parallel to the developments in food industry (ibid.).[42] In recent decades, it has spread in tandem with globalization and agro-industrial companies that entered into the Turkish market (Keyder & Yenal, 2003, p. 365).

There exists a considerable number of studies that research agrarian transformation in Turkey and touch upon the issue of contract farming one way or another (e.g. Kayaalp, 2007; Başaran, 2008; Ulukan, 2009).[43] Contract farming is also the subject matter of the analysis that discusses Turkey's integration to the EU, which is a process that expects from Turkey to spread contractual relations in agriculture (Yiğiter, 2006). What is more important here that I

[41] See the literature on contract farming explored in the previous chapter. For a comprehensive case study conducted in India on the rapid penetration of markets into agriculture through agriculture, see Banaji (1996).

[42] The first implementation of contract farming in the private sector was the production of tomatoes for tomato sauce. For a great discussion on the development and current form of contractual cultivation of tomato in Turkey, see: Ulukan (2009).

[43] I think that there is an important lack in social sciences in Turkey, which produce comprehensively a map of divergent contractual relations in Turkey. This would be an important study to understand how the nature and future of contract farming differs –as well as corresponds- on the basis of specific variables, from product-specific ones to regional ones.

want to emphasize is that the studies of contractual relations in Turkey go hand in hand with the discussions over the activities of Transnational Corporations (TNCs) in Turkish agriculture. The arrival of TNCs in Turkish agriculture is widely linked to the neoliberal retreat of the state as a regulating power and to the decrease in the protectionist policies in this realm in the last decades (e.g. Başaran, 2008). It is argued that after the 1980s with the switch to the export-oriented development model, agriculture comes in under the hegemony of transnational corporations directly via the spread of contract farming, or indirectly via the use of hybrid seeds (Yenal, 2001, p. 166). We witness a similar trend in the sugar sector as well. As Aydın (2005) argues, by the enactment of Sugar Law (2001), the huge Turkish market has opened to sweeteners produced from maize by the TNCs (p. 166). Aydın interprets this process as a further unemployment in rural population. Although we can support his argument by looking at the general trend in the sugar sector after Sugar Law, which reflect a decrease in the number of beets producers; we should not disregard the fact that in some regions of Turkey, farmers increasingly establish contractual relations with national organizations in beet production. The transnationalization of sugar sector is the one side of the same coin (of the contract farming), so we also need to examine the transformation in the other side, in the side of national organizations like the sugar companies under the roof of the union of beet producers' cooperatives, Pankobirlik.

3. Transformation of the Sugar Sector

> *People in Turkey have learned how to be modern thanks to the sugar factories. Initial movie houses were established in sugar factories… While in Ottoman times modern gardens were behind big walls, people started to learn landscaping after [the establishment of sugar factories]. They learned how to do modern agriculture, how to use machines, how to do irrigated agriculture…*
>
> Abdullah Aysu
> (Interview, September 12, 2010)

Catherine Alexander (2002), in her book *Personal States,* provides an ethnographic research on the relation between people and bureaucracy in Turkey by tracing the history of sugar beet cultivation. This research's contribution to the literature on sugar beet production process in Turkey is significant especially in terms of its effort to show how sugar beets had been an instrument for connecting the state and the people. Alexander underlines social and economic importance of the sugar for agro-industry in the history of the Turkish Republic on the basis of the analysis of domestic politics and world sugar market. She also states that "after the economic 'austerity' measures taken by the Turkish government in April 1994, only three commodities continued to attract state support purchasing: tobacco, grain and sugar beet" (p. 57). After the publication of this book, many things have changed in Turkish agrifood industry. At the time I was conducting my research, TEKEL (tobacco) workers' strike attracted a great deal of public attention and it is a good indicator of the *disconnection* between the people and the state.[44] As the recent research project that was conducted by İslamoğlu et al. (2008) shows, we witness a similar process in Turkey's sugar sector: beet growers and processors have been increasingly disconnected from the state. In this section, I intend to focus on the general picture of beet production process in Turkey and the privatization process in this sector. As the state withdraws from the realm of beet production by opening the doors for the privatization of state economic enterprises, my question is how the role of the cooperatives has changed at the same time: Can we mention about disconnection between beets growers and their cooperatives within the last decade? The above epigraph shows that it was the sugar factories that prepared Turkey for a modernization process. Then, to what does the current form of sugar factories under Pankobirlik prepare

[44] For a detailed discussion of changes in tobacco sector in Turkey, see for example: Aydın (2005) and Kayaalp (2007).

Turkey? Before answering these questions, let me put forward the story of change in sugar beet cultivation briefly.

3.1. Change in Sugar Beet Production since the 2000s

Turkey comes after Germany, USA and France in sugar production on the basis of sugar beets with its 8% share in world markets (Özçelik & Özdemir, 2007). The production and marketing of sugar in Turkey is currently done under the terms of the Sugar Law (Şeker Kanunu, 2001) which reflects the transformation in Turkey's sugar sector and is important for understanding the reconfiguration of Turkish agriculture since the 2000s. The changes in the sugar sector would be representative of the transformations in Turkish agriculture to an extent, in terms of for example the privatization process, deepening of contractual relations and the state retreat from agriculture. Before analyzing restructuration of sugar sector, particularly sugar beet production[45], it is significant to discuss the Sugar Law that was passed on 4 April 2001 in the aftermath of the February 2001 financial crisis. The main concerns of the law are: (1) the establishment of a Sugar Agency and a change in the role of state, and (2) production quotas.

1. The Sugar Agency and State

Articles 7 and 8 establish the Sugar Agency (*Şeker Kurumu*) that is responsible to the Ministry of Trade and Industry and is directed by the Sugar Board (*Şeker Kurulu*). The board is composed of seven members from the Ministry of Trade and Industry, the Ministry of Agriculture, the private firms operating in sucrose and starch-based sugar production and the union of beets producers' cooperatives (Pankobirlik). As an arbitration board, the agency has

[45] Beets are not the only raw material of sugar production. In Turkey, maize is also used as a raw material for sugar production. So, changes in sugar sector are not limited to beet production. Yet, since this research focuses on Konya Şeker -the company that produces sugar only from beets, I deal with beet production process.

extensive power concerning its membership and decisions on critical issues from production quotas to premium payments (Article 9; Aydın, 2010, p. 163). Further, the Sugar Law decreases the role of the state in the sugar sector. The state no longer sets prices for sugar beets that are now specified by the bargaining between private sugar companies and producers (Article 5; Aydın, 2010, p. 163). Sugar factories are supposed to set the price of sugar (Article 5). It seems that beet producers are indirectly included in price setting process, which is regulated by a board that mostly consist of the representatives of the government and industrialists (İslamoğlu et al., 2008, p. 376). More importantly, the Sugar Board controls the amount of sugar produced for both internal and external markets. This point leads us to look at the controversial issue regarding the quota system introduced by this law.

2. Production Quotas

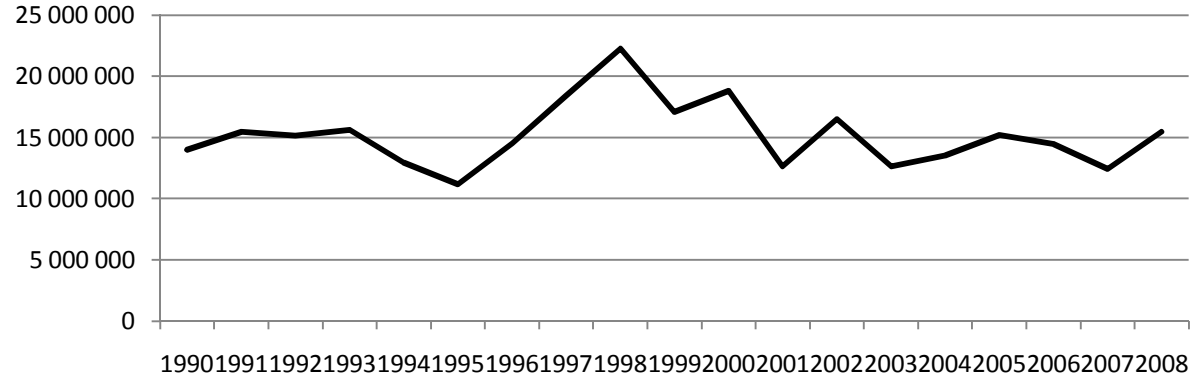
The Sugar Law mainly specifies three types of quotas: Type A quota refers to the sugar amount that is produced according to the demand of the internal market and yearly allocated to the sugar factories. Type B quota corresponds to the amount of sugar that is produced for safety margins and Type C sugar is specified as the amount that overrides Type A and B quotas and allocated for export. Article 3 states that the production quotas are distributed to the firms by the Sugar Agency. Although this law regulates the quota system, the details of how the production quotas are determined are provided through the decrees issued in the aftermath of the Sugar Law. For example, the decree that was signed in 2002 regarding the regulation of sugar production quotas is in line with Article 3 of the Sugar Law and states that the government has the authority to reduce or increase the quota allowed for starch-based sugar production (which was determined as the 10 percent of type A quota). The common tendency of the government, however, has been increasing this quota rather than reducing it (Borlu, 2009, p. 20). Such an existing authority of the state in the determination of the production quotas can be interpreted as the continuing role of the state in the regulation of

the sugar sector. However, to what extent the government regulates this sector in an environment in which the Sugar Board plays a significant role is open to question.

The establishment of the Sugar Board empowered by this law seems to reflect the intention of the state to relinquish its authority in the regulation of the sugar sector as well as opening up the Turkish market to international competition (Aydın, 2010, pp. 163-164). In this regard, Aydın (2005) claims that the sole purpose of the Sugar Law is to open the Turkish market to sweeteners produced from maize by TNCs (p. 166). Considering the rise of production quotas reserved for sugar that is produced from maize and the profile of the international private firms (e.g. Cargill) which mostly produce starch-based sugar, Aydın's claim is plausible. In other words, the 2001 Sugar Law extended the definition of sugar and included sweeteners in the sugar sector, which was limited to sugar beets up until now (İslamoğlu et al., 2008, p. 370). Some also argue that this Sugar Law prepared the ground for the privatization of publicly owned sugar factories and internationalization of the industry structure by delivering the governance power to the Sugar Board (Günaydın, 2009, p. 212). It is still hard to come up with a general conclusion about the consequences of the Sugar Law. The changes in the legal arena give us a clue about the nature and direction of general agrarian transformation in Turkey. Yet, without any close empirical analysis, it is hard to understand specific dynamics of marketization process particularly in sugar sector and generally in Turkey's countryside. The next chapter will detail the developments that were brought about by the Sugar Law and before this, more can be said on the transformation of the sugar sector in terms of for example, changes in the production amount and cultivated areas.

Sugar beet production seems to lose its economic significance for both Turkey's national economy and rural households (İslamoğlu et al., 2008). The production of beets has fluctuated especially after an increase in 2000 (see Figure 5).

Figure 5 **Sugar beet production in Turkey between 1990 and 2008 (tons)**



Note. Adopted from TÜİK.

More significant than the general trends in beet production shown in Figure 5 is regional differences. For example, as Table 1 shows, the cultivated area and the volume of production decreased between 1999 and 2009, except two regions where we recognize a significant increase in beet production, namely Konya and Kayseri.

Table 1
Beet production in 1999 & 2009 by provinces

Provinces	Year	Area of Beet Cultivation (Decar)	Production (ton)	Yield (kg/da)	Provinces	Year	Area of Beet Cultivation (Decar)	Production (ton)	Yield (kg/da)
Afyon	1999	215,750	804,372	3,760	**Isparta**	1999	28,450	98,783	3,934
	2009	123,320	640,877	5,197		2009	20,055	93,207	4,648
Ağrı	1999	67,290	155,485	2,373	**K.Maraş**	1999	141,580	601,826	4,368
	2009	22,853	68,351	2,991		2009	56,547	305,847	5,409
Aksaray	1999	296,540	1,029,063	3,478	**Kars**	1999	23,050	60,728	2,635
	2009	187,995	1,006,685	5,355		2009	7,410	23,727	3,202
Amasya	1999	115,870	425,098	3,689	**Kastamonu**	1999	84,400	308,638	3,666
	2009	87,830	450,577	5,130		2009	62,700	272,335	4,343
Ankara	1999	144,030	707,191	4,934	**Kayseri**	1999	105,650	429,803	4,070
	2009	82,182	462,022	5,622		2009	196,051	967,240	4,951
Balıkesir	1999	18,810	47,089	3,679	**Kırıkkale**	1999	23,340	90,593	3,965
	2009	6,820	33,672	5,021		2009	9,143	48,637	5,320
Bitlis	1999	24,230	64,241	2,928	**Kırşehir**	1999	73,490	319,242	4,379
	2009	29,866	92,458	3,190		2009	42,492	246,726	5,806
Bolu	1999	10,590	38,297	3,707	**Konya**	1999	667,440	3,360,027	5,061
	2009	541	2,043	3,776		2009	859,923	5,284,787	6,146
Burdur	1999	59,100	174,464	3,344	**Kütahya**	1999	76,380	281,383	3,831
	2009	35,005	170,985	4,885		2009	44,488	232,543	5,228
Bursa	1999	57,220	289,676	5,640	**Malatya**	1999	42,160	123,559	3,322
	2009	33,209	230,270	7,073		2009	10,530	51,168	4,859
Çankırı	1999	16,870	53,743	3,320	**Muş**	1999	124,170	322,527	2,652
	2009	4,688	21,325	4,549		2009	78,015	277,318	3,555
Çorum	1999	89,970	312,981	3,533	**Nevşehir**	1999	52,170	237,398	4,579
	2009	39,860	197,450	4,954		2009	52,168	323,383	6,199
Denizli	1999	62,470	188,942	3,252	**Sakarya**	1999	79,580	381,733	4,943
	2009	27,312	119,181	4,388		2009	41,539	208,467	5,172
Elazığ	1999	67,020	266,991	4,075	**Samsun**	1999	146,720	572,867	3,933
	2009	22,942	72,141	3,144		2009	41,854	190,961	4,563
Erzincan	1999	84,850	354,677	4,183	**Sivas**	1999	91,020	360,442	3,960
	2009	50,840	222,930	4,385		2009	94,698	467,868	4,941
Erzurum	1999	65,360	164,739	2,639	**Tokat**	1999	224,750	972,120	4,325
	2009	25,905	84,428	3,302		2009	129,060	644,010	4,990
Eskişehir	1999	264,850	1,250,023	4,720	**Uşak**	1999	13,730	46,223	3,698
	2009	216,175	1,262,257	5,839		2009	6,750	28,988	4,295
Gaziantep	1999	10,690	40,749	3,914	**Van**	1999	38,800	71,938	2,238
	2009	7,735	44,966	5,813		2009	12,601	42,119	3,452
Gümüşhane	1999	13,630	61,021	4,480	**Yozgat**	1999	245,150	1,013,020	4,180
	2009	5,240	17,528	3,345		2009	233,670	1,228,616	5,258

Note. Adopted from TÜİK

Borlu's (2009) research on the transformation in the Turkish sugar sector since the 2000s, looks at twenty-five regions where Turkish Sugar Factories (*Türk Şeker Fabrikaları A.Ş.,* TŞFAŞ) operates in which beet production has decreased: "the decline in beet production during the 2003-2007 period was severer than the 1998-2002 period in these regions" (p. 68). He argues that "low beet prices during the 2000s, (especially after 2003 when price supports in beet production ended) in the face of increasing input prices (i.e. fertilizer and diesel oil) were related with the decline in beet cultivation" (ibid.).

This decrease is also in line with the increase in the production of starch-based sugar and the increase in starch-based sugar exports and imports relative to beet-based sugar exports and imports:

Table 2
Sugar exports and imports (thousand tons)

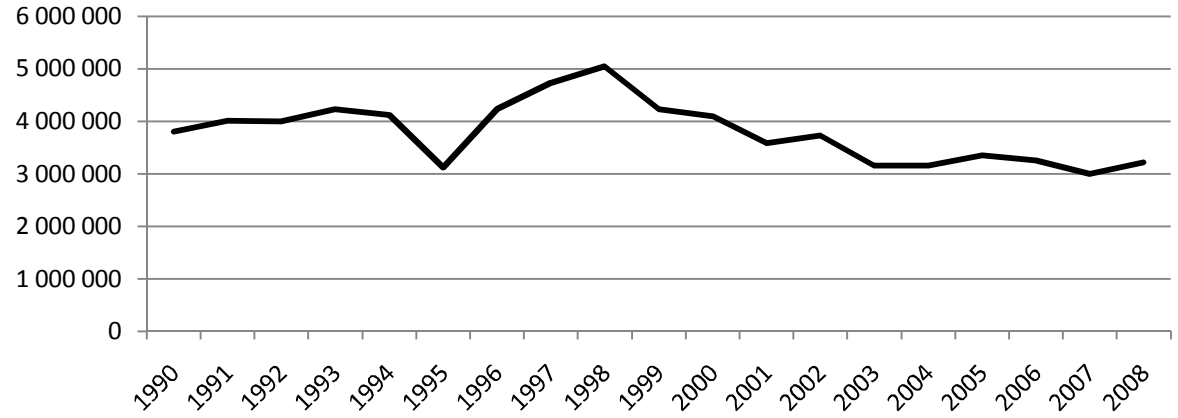
Years	Sugar beet Exports	Starch-based sugar Exports	Sugar beet Imports	Starch-based sugar Imports
2000	560.7	20.0	2.4	8.2
2001	858.8	17.3	0.6	12.7
2002	123.5	27.5	1.2	23.6
2003	188.1	40.7	0.7	51.7
2004	133.4	42.7	0.6	35.0
2005	8.1	45.9	3.9	38.5
2006	125.6	48.7	7.4	30.6

Note. Adopted from TÜİK (as cited in İslamoğlu et al., 2008).

The 2001 Sugar Law does not permit the scratch-based sugar production above 10 percent of total sugar production and this leads to an increase in its import (İslamoğlu et al., 2008, p. 367). Then, there is a tendency that beet-based sugar production, with its high production costs decreases, and so, market share of sugar beets decreases (ibid.).

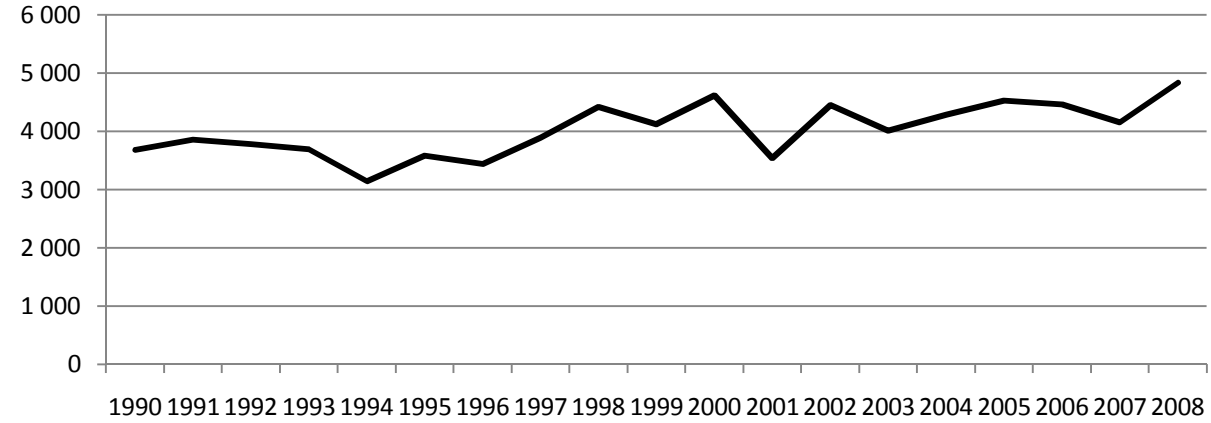
Besides, when we look at the changes in the cultivated area for sugar beets (Figure 6) and also efficiency in its production (Figure 7), we can surmise that the production amount has increased in a unit of area although there is a decrease in the overall cultivated area.

Figure 6 **Cultivated beet area in Turkey between 1990 and 2008 (decars)**



Note. Adopted from TÜİK.

Figure 7 **Efficiency of sugar beet cultivation in Turkey between 1990 and 2008 (kg/da)**



Note. Adopted from TÜİK.

As these statistics above show, it is hard to talk about an overall decrease in the volume of sugar beet production. We even witness an increase in the year 2002 (see Figure 5), this is the time when the quota system started to be implemented (İslamoğlu et. al., 2008). Yet, the decrease is remarkable when we compare regions. Contrary to most of the provinces in Turkey, beet production has increased since 2001 in a small number of provinces like Konya and Kayseri (Table 1; see also, Ünal, 2009, p. 287). İslamoğlu et al. (2008) attribute this increase to the successful policies of cooperatives and producers in these specific regions by arguing that the role played by the cooperative will be determining for the future of beet production in Turkey.

Although there are differences according to the regions in terms of the reflection of transformations in the sugar sector since the 2000s, the changes in Turkey's sugar beet production and sugar sector can be summarized as follows: a large number of producers cannot grow beets, beet production has been concentrated in a number of provinces, the quota system has put a limit on beet-based sugar production while increasing scratch-based sugar production, and the workers in state-owned sugar factories have lost their jobs.[46]

3.2. The Union of Beet Producers' Cooperatives: Pankobirlik

Gelin bir olalım,
Bir olalım, diri olalım,
Sevelim, sevilelim
Bu dünya kimseye kalmaz.
Yunus Emre[47]

The organization of beet producers in the form of cooperatives coincides with the decision to enlarge Turkish Sugar Industry in 1951 ("Pankobirlik", n.d., "Genel bilgi ve tarihçe"). The first cooperative was established in Adapazarı, in Northwestern Turkey, and this opened a ground for beet producers to be organized and have a share in sugar factories. The following years witnessed the establishment of new cooperatives in different regions of Turkey spread from West to East and all became under the umbrella of a mother organization, namely Pankobirlik, in 1972 under the Law no 1163 on cooperatives *(Kooperatifler Kanunu*, 1969). After the formation of Pankobirlik, the number of sugar factories and beet growers' cooperatives continued to increase and reached 31.

[46] These indicators were represented in 6th European Social Forum held in Istanbul (July, 1-4, 2010) by the Confederation of Turkey Farmers' Unions.

[47] Come all, let's be together; let's be together, let's be alive; let's love, let's be loved; this world will not be left to anyone (translation is mine). The Chairman of Pankobirlik, Recep Konuk, quoted Yunus Emre when talking about the importance of cooperatives in Turkish agriculture (Konuk, 2007b, p. 7).

Pankobirlik is known as the largest farmers' organization in Turkey, which has about 1,700,000 beet grower members cultivating sugar beets in 64 provinces of Turkey and today, 7 cooperative sugar factories (namely Adapazarı, Amasya, Kayseri, Boğazlıyan, Konya, Çumra) function without any support from the government ("Pankobirlik", n.d., "History of Pankobirlik"). It has a share of about %40 in domestic sugar market and the second biggest sugar production organization in Turkey after TŞFAŞ[48] ("Röportaj-Jon van Campen", 2009, p. 60). In addition to these sugar factories, Pankobirlik has also a share in various initiatives that function in from agricultural mechanics sector to insurance business.[49] Pankobirlik defines its role in the agrifood sector as "the general directorate, representative and senior organization of beets cooperatives, which are performing supply, distribution, supervision and coordination of all kinds of inputs that are used during agricultural activities" ("Pankobirlik", n.d., "History of Pankobirlik"). Besides its share in diversified economic activities, this organization presents itself as the biggest civil society organization in Turkish agriculture by underlying that it contributes to national economy significantly and without having any support from the government ("Pankobirlik", n.d., "Contributions to economy"). Through the analysis of the magazines published by Pankobirlik, I also realized that this organization puts emphasis more on its role as a civil society organization. They benefit from the WB and EU sourced projects: "Our cooperatives' two projects that are related to training of our farmers on

[48] "Sugar factories owned by the state (TŞFAŞ) had been a model which is thought to be the instigator of industrialization of Turkey's society, and part of a wider social project aiming the rural development (Alexander, 2002, p. 131). Even as late as early 1990s, TŞFAŞ 'affected the livelihoods of 3 million people and was involved economically with 7 percent of the voting public'" (Burrell & Kurzweil, 2008, p. 126, as cited in Borlu, 2009, p. 15).

[49] These initiatives are namely: Beta Ziraat, Pancar Motor Tic., PANEK, DESMER, Kömür İşletmeleri, Liberty Sigorta (http://www.pankobirlik.com.tr.).

new agricultural techniques and to the use of agricultural resources effective, which are proposed to benefit from the funds of the WB and EU, got accepted; Malatya and Yozgat cooperatives will start to implement these projects" ("Malatya ve Yozgat kooperatiflerimizde AB destekli projeler uygulanıyor", 2007). Pankobirlik is also the member of various international organizations that play a role in sugar and cooperative sectors,[50] and performs its interests as being the follower of global developments and targeting to become an international actor in its sector. Almost in each issue of the magazines, Recep Konuk, the chair of Pankobirlik, puts in an appearance with different international leaders and this includes previous US leader Bill Clinton. These representations seem to increase reputation of Pankobirlik as being a follower of global changes, an innovator as well as feeling socially responsible in its own country (e.g. initiating "environment-friendly production models").

Agricultural cooperatives can be defined as producers' organizations that are designed to help producers to access markets and regulate production processes. Through recruiting members, they act as economic actors and look after members' own benefits. Ideally, a cooperative structure seeks to maintain solidarity among the producers by creating a democratic environment in its management and production pillars. The Law on Cooperatives (1969) provides a definition of what cooperatives are: a cooperative is an associations, with changing partners and capital, that is established by real and/or legal persons in order to maintain and protect its members' specific economic interests, and especially their necessities related to their profession or subsistence, by means of mutual assistance, solidarity and guarantorship (Article 1).

[50] Some of these organizations are: ICA (International Cooperatives Association), IRU (International Reiffeisen Cooperatives Union), CIRIEC (International Information and Research center on the Public, Social and Co-operative Economy), CIBE (International Confederation of European Beet Growers) and WABCG (World Association of Beet and Cane Growers).

Each member of a cooperative is endowed with one vote in the decision-making process; this is different from a corporative structure where the members' power in this process changes according to their share in the company. Similarly, the distribution of surplus value among the cooperative members is determined differently according to the labor and production provided by members, not in terms of their shares. In this regard, cooperatives are organizations established to favor their members against profit-seeking firms and market uncertainties by providing a production environment based on solidarity; their primary aim is not to earn profit (Dağ, 2007, p. 95). Yet, Dağ (2007) stresses that although the cooperatives that were established under the Law no 1163 include democratic mechanisms, clientelist relations have been the determining factor in the reach to public resources (p. 96). This refers to how the democratic structure in cooperatives has prepared the ground for clientelist relations. According to Dağ, the elected chairpersons of cooperative have turned the power in their hands into a dividend that would be distributed to members in exchange for the prolongation of their power (p. 97). My research findings also support Dağ's argument and show how patron-client relations, as I will discuss in the next chapter, are an important part of beet production under a cooperative structure in Arıkören village.

Farmers cultivate beets, deliver to sugar factories under the leadership of Pankobirlik and factories process these inputs and then sell the end product. This cooperative structure ideally seeks to constitute farmers' control over the chain from production to chain. Yet, as Aysu (interview, September, 12, 2010) underlines, this system has not worked in Turkey in this way: "There had been a disconnection between the unions and sugar factories in Turkey. When the issue comes to processing, the factories had been in the hands of state-owned enterprise TŞFAŞ and it was not possible to distribute the share to the farmers, to the cooperatives." Considering the involvement of ministers in the management of TŞFAŞ, Aysu calls such a cooperative model functioning under the lead of TŞFAŞ as *cooperativism under*

state tutelage. Yet, things have started to change after the 1980s, especially since the enactment of Sugar Law in 2001. In the process of restructuring of sugar sector and privatization efforts, three factories owned by the state (namely Amasya, Kayseri and Konya) have been privatized in the 1990s and came under the roof of Pankobirlik (İslamoğlu et al., 2008). Currently, 25 sugar factories continue to function under the management of TŞFAŞ; the privatization of these factories (e.g. Kastamonu, Kırşehir, Çorum) that came on the agenda in 2009 has been stalled after the Sugar Workers' Union appealed it at the Council of State ("Şeker fabrikalarının özelleştirilmesi tamamen durdu", 2010). The chair of Pankobirlik, Recep Konuk, has also constantly voiced their aspiration to buy these factories at market prices and that they are ready to compete under current market conditions.[51] Taking the relative success of sugar factories under Pankobirlik (e.g. Konya and Kayseri), the selling of sugar factories owned by the state to this union is more likely to be appreciated and supported (İslamoğlu et al. 2008). At that point, we need to question which kind of a cooperative model that we talk about under the management of Pankobirlik or whether it is currently a model that leads farmers rule over the chain from production to sale. Aysu (interview, September, 12, 2010) has an answer to these questions: The new cooperative model in Turkey embodied in the functionality of Pankobirlik means cooperativism under the lead of corporations; this is a free-market cooperativism, *private sector cooperativism*. He argues that Pankobirlik had always been declaring that farmers' beets were taken in low prices and demanding a rise in the prices; but when this union started to process beets and market the end products, they have neither distributed profit to the farmers nor demanded a rise in beet purchasing prices.[52] Aysu

[51] Konuk here mainly argues against the sale of these factories to international.transnational companies that he calls as "foreigners" (Konuk, 2007b, 2008).

[52] Aysu's argument here can be contestable. The chair of Pankobirlik, in one of his writings, mentions that low beet prices can put farmers into trouble in an environment where input prices are constantly increasing

criticizes the management of sugar factories under Pankobirlik by stating that they are free-market actors and try to cover this by a false decoration of cooperativism that have social and economic advantages. His critique is supportable in the light of the research I conducted regarding one of the factories of Pankobirlik, namely, Konya Sugar (*Konya Şeker*). Farmers do not get any share after the sale of sugar, surplus is transmitted to new initiatives and they do not literally have a say in the decision making processes.

In short, the cooperative sector in Turkey has been affected by neoliberal transformations in Turkish agriculture. As the state-owned sugar factories were privatized, industrial production process has come to be directed by private companies and the union and its cooperatives have come to function as warehouses. This is seen in the body of Konya Şeker: while the company Anadolu Birlik has the largest share (54.37%), the total share of the union and the cooperatives is under 50%. Besides these indicators, it is really hard to talk about a democratic structure in management and production or in the chain from beet production to sugar sales. My research findings show how Konya Şeker as a cooperative structure functions as a private-sector actor. Taking changes and continuities in a cooperative sugar factory into account, I argue that Konya Şeker is neither fully cooperative nor a private company; rather it is an amalgam structure that embodies selective features of both a cooperative and a corporation. The following chapter will open up these points through a discussion of my fieldwork findings.

4. Conclusion

This chapter has mainly looked at the nature of transformations in Turkish agriculture especially since the 2000s. On the basis of the statistical data and legal arrangements, I

(Konuk, 2007a). Clearly, this can be considered as just a populist statement and whether Pankobirlik took an action to demand an increase in the prices is unknown.

wanted to provide a map of neoliberal reconfigurations in Turkish agriculture which is clearly not a complete one, yet gives us a sense about changes/continuities in for example, state's role in agriculture, agricultural production models, in the cooperatives and most importantly the contribution of agriculture to the national economy. Although these neoliberal transformations have pointed out within Turkey's own agricultural structures and relations, we should not disregard the global nature of neoliberal reconfigurations in agriculture worldwide. By 2008, International Labour Organization (ILO, 2009) data shows that "farmers constitute 33.5 percent of the world's working population, whereas service sector employees and industrial workers represent 43.3 and 23.2 percent, respectively, of the global working class": There is now consensus that neoliberal policies made a radical impact on this shrinkage (Adaman & Çalışkan, 2010). Having taken this point into account, the findings and suggestions of this study regarding agricultural transformation in Turkey can be summarized as follows:

1. Although agriculture's shares in national economy, rural population, rural employment and total arable land have decreased, agriculture still has an importance in Turkey's economy.

2. The state's intervention in agricultural production processes has diminished in line with the demands of international organizations like the WB, IMF and EU, and this is reflected in the privatization of state-owned enterprises and the changes in support mechanisms. Yet, we should still acknowledge the enrollment of state in Turkish agriculture and search for its changing roles in different sub-sectors in agrifood sector.

3. As the state washes its hand of a great part of agricultural activities, we witness a rise of new actors in this realm and/or change in the role of some players in agriculture. The increasing engagement of civil society organizations, TNCs and agribusiness in Turkey's agricultural production need to be taken into account in terms of marketization, internationalization and deregulation processes, and creation of new agricultural production

models (e.g. contract farming) in Turkish agriculture. In this regard, we should also refer to the changing role of agricultural cooperatives and their unions in these processes.

4. While studying transformations in Turkish agriculture, we need to put an emphasis on contextual differences. As this research's focus on the changes in sugar beet production depict, the increasing role of national agribusiness as a cooperative structure under neoliberal agrifood regime should be acknowledged, rather than putting emphasis only on the internationalization processes in Turkish agriculture (this is what goes unnoticed in many macro-level studies on Turkey's agriculture sector).

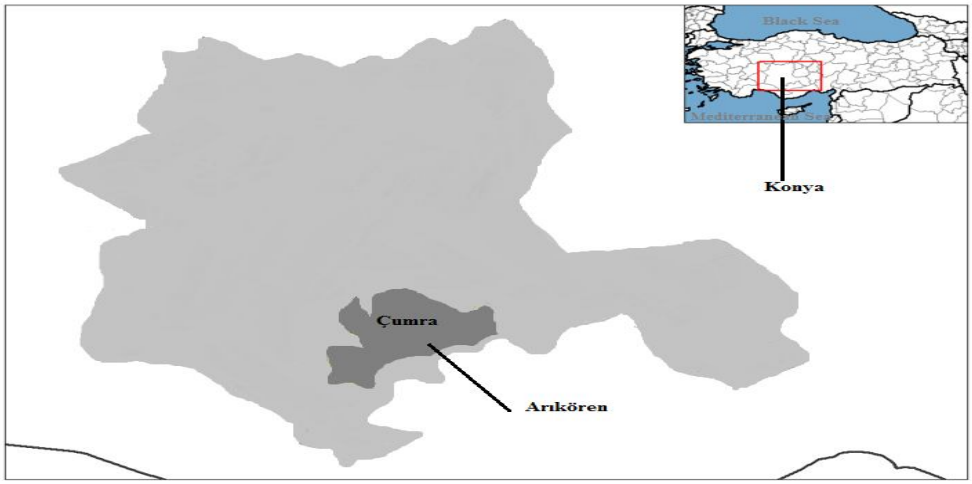
5. Even changes in the sub-sectors in Turkish agriculture like sugar and cooperative sector need to be detailed by empirical studies that underline different reflections of these changes on specific localities, and most significantly, say more to us about the changes in the lives of agricultural producers which cannot be reachable only through statistical variables. The following chapter is designed to shed light on this latest point.

CHAPTER 3

Agricultural Transformation since the 2000s: Sugar Beet Production in Arıkören Village

In the last decade, irreversible transformations have been brought about by the neoliberal agrifood regime in Turkey's countryside. In the previous chapter, I have addressed these transformations by exploring for example, the declining share of agriculture in the Turkish economy, declining population and employment in rural areas, and particularly the decrease in sugar beet production. In this chapter, I want to focus on a specific case in order to provide an analysis of neoliberal transformations in a particular locality and a particular production process. Namely, I will examine the changes in sugar beet production in the village of Arıkören located in the province of Konya (see Figure 8).

Figure 8 **Map of Konya showing research area**



The choice of Arıkören village as a research area is not an arbitrary one; first of all, beet production in this village represents a deviation from the general trend in Turkey. Contrary to the decreasing beet cultivation in most provinces of Turkey, beets have become a major income generating crop in the province of Konya. This situation has led me to examine more closely beet production in Konya, which tells us a different story about the neoliberal

reconfiguration of agriculture that has paved the way for the declining share of agricultural activities in the Turkish economy.

The case of beet production in Konya generates important questions for this research in understanding how Turkey's countryside has been transformed under neoliberal agrifood relations. Transformations in Turkish agriculture since the 2000s are either discussed in terms of the negative consequences of neoliberalism, for example in terms of deteriorations in agricultural production (e.g. Aydın, 2005), victimized farmers (e.g. Aysu, 2008) or environmental disasters (e.g. Üstün, 2009). Or, these same transformations are interpreted positively in terms of new markets in agriculture, creation of competitive market relations or increasing efficiency in agricultural production (e.g. DPT, 2006; WB, 2004). My research lies at the *intersection* of such discussions. New agricultural markets have been created in Konya, and beet production has not fallen. What is important to research is the consequences of agrarian change in particular localities from the vantage point of agricultural producers. To do so, this chapter seeks to answer the following questions based on the findings of my fieldwork in Arıkören.

1. What kind of a market structure has emerged in Arıkören village since the 2000s under neoliberal policies which has led to an increase in beet production?

2. How has this market structure affected farmers' economic situation and activities?

In order to provide an answer to the above questions, I will build my analysis on two main issues. First, I will examine the marketization process in Arıkören village to show its integration into commodity markets. Through the examination of the changes in production patterns, in transnational/national capital structures and in rural households' livelihoods, I will argue that we witness a deepening of farmers' reliance on market relations through commodification and corporatization processes. My research findings show that although

farmers became more integrated into commodity markets, this inclusion did not bring an increase in their overall economic situation. The precarious market structure that has been constructed under neoliberalism has turned farming into a form of gambling, as my respondents reported. Within this game, farmers act as calculative agents, and are induced to be self-managed people who make choices and bear risks. At the same time, farmers develop a number of strategies to go on farming or to "stay above the sieve," as one farmer put it. My findings here are in line with studies conducted in different regions that show that farming has turned into gambling (e.g. Keyder & Yenal, 2011), that indicate a decline in the economic situation of farmers with high levels of indebtedness (İslamoğlu et al., 2008), and that demonstrate the way farmers continue producing crops by developing different livelihood strategies (Aydın, 2002).

My analysis of beet cultivation is significant in understanding how in an environment in which farmers' economic situation increasingly deteriorates producers are able to generate considerable income from beets. Beet production based on contractual relations allows farmers in Arıkören to continue agricultural activities in the village. The advantages of contractual beet production make beet cultivation an income generating agricultural activity, without which it is really hard for farmers to continue farming by taking into account the fact that the economic situation of farmers has deteriorated in the last decade as a result of rising production costs. In order to explore this point, I will look at who produces beets, how, as well as at beet sales by following the main actors that are involved in these processes, namely beet growers and the Konya Şeker company (Konya Sugar Factory).

Konya Şeker was previously a state-owned enterprise, and it was privatized and turned into a joint-stock company by the intervention of Pankobirlik (the Union of Beet Growers' Cooperatives) in the beginning of the 1990s. In 2009, this company became a part of a

conglomerate called Anadolu Birlik Holding[53] which has the largest share in the company (about 54%). This company is neither a state-owned enterprise (like the ones under the management of Türkiye Şeker Fabrikaları A.Ş.) nor a private firm producing sugar (like the only private sugar factory in Turkey, Bal Küpü). Rather, Konya Şeker is a private company organized as a cooperative structure in which farmers are shareholders. In 2004, Konya Şeker established a new sugar factory, Çumra Şeker (Çumra Sugar Integrated Facilities), in the district of Çumra where Arıkören village is located. Çumra Şeker is identified as the most modern sugar factory in Turkey. Arıkören farmers cultivate beets under contractual relations with this factory since its establishment. Thus, the district of Çumra is a good representative for increasing beet cultivation in the province of Konya with the establishment of Çumra Şeker which is the biggest investment of Konya Şeker, particularly related to beet processing. Çumra also has the first rank among 28 districts of Konya in terms of the share of agricultural in GDP.

Contrary to the argument that transnational capital is increasingly controlling agricultural activities (Aydın, 2002), I want to show how a national company (Konya Şeker) under neoliberalism emerges as a powerful actor. The rise of national agribusiness is a result of the market structure that neoliberal policies have created in Turkish agriculture. Konya Şeker has become a monopolistic power in Çumra, and has increasingly obstructed competitive agricultural market relations in beet production in this district. I claim that the organization of this company under a cooperative model and the contractual form of production has strengthened the ground for this company to emerge as a powerful actor. My research findings show that Konya Şeker has increased its power on the shoulders of beet

[53] Although Konya Şeker has come under the roof of Anadolu Birlik Holding, the company name Konya Şeker is kept as a brand name. Throughout this research, I will refer to the company as Konya Şeker. For the website of the company, see: http://www.konyaseker.com.tr/

growers, of its own shareholders as well as subordinating them into contractual form of production. This company excludes the farmers from decision-making processes and makes them more dependent on the contractual relations through ties of credit and debt. The main features of this relation can be summarized as follows:

- *Company control of production*: There is a limit on how much beet can be produced set by quotas; the area for beet cultivation is determined by the company; and from planting seeds to harvesting, all activities of beet growers are under the company's surveillance.
- *Lack of decision-making power*: Farmers do not have a say in the decision-making processes; favoritism plays a role in the distribution of quotas to the farmers by the company; and the value of beets is determined by the company in non-transparent ways.
- *Dependence:* Farmers are subordinated to the company through ties of credit and debt. The supply of additional goods and advance payments made by the company outside the beet production process support farmers in a way that farmers rely for their livelihoods on their relation with the company. This also makes farmers follow the market signals of the company and ready to enter into new form of contractual relations with it.

In sum, Arıkören village has been affected by neoliberal transformations in Turkish agriculture: new commodity markets have emerged, but farmers' integration to these markets has not taken place in their own terms. They have become dependent on the decisions taken by a national company which follows the signals of global markets. A certain number of farmers who are required for the continuation of agricultural production are kept in their village while small farmers have already dropped out of the game. Farmers have turned into gamblers: they make calculations, develop new strategies, emphasize their children's education and being knowledgable, and even act as merchants. What is significant is that the cooperative embodied in Konya Şeker has played a role in the crystallization of the market

logic in Çumra as well. Farmers in Arıkören benefit from the advantages of contractual beet production as members of a cooperative. Yet, it seems that what farmers gain from this production is kept at a certain level to make them constantly search for alternatives, which may in the future be created by Konya Şeker in the form of new commodity markets.

Before elaborating on the findings of my research, I want to discuss the methodology that I followed for this case study.

1. Methodology

In this case study, I based my analysis of sugar beet production in Arıkören village primarily on the interviews I conducted with male farmers. I also benefited from primary and secondary sources and conducted a number of interviews with state officials, civil society representatives and a director from Çumra Şeker to understand the nature of agriculture and beet production in the province of Konya and Çumra district.

I used statistical data to explain the place of Konya's agriculture in the national economy. I also provided statistical information on Çumra's socio-economic situation in comparison to other districts of Konya, and the changes in the product pattern of this district. I collected these data from TÜİK and the Konya Provincial Directorate of Agriculture. I also benefited from the interviews that I conducted with state officials at the Konya Provincial Directorate of Agriculture and the representatives of two civil society organizations, Konya Exchange of Commerce (Konya Ticaret Borsası) and the Vanguard Farmer Association (*Önder Çiftçi Derneği*). These interviews provided me qualitative information about the importance of agriculture in Konya, and the district of Çumra which is a significant agricultural region.

I realized some unique features of Çumra during my fieldwork in Arıkören village. Turkey's most modern sugar factory, Çumra Sugar Integrated Facilities (*Çumra Şeker*

Entegre Tesisleri) was established in this region. This factory has had a significant impact not only on beet production, but also on the socio-cultural life in the district. The way that Çumra Şeker's establishment is promoted explains this: "From the beginning of settled agriculture in *Çatalhöyük* to techno-city Çumra." The prehistory of Çumra where one of the earliest known human settlements, the 9000-year old Çatalhöyük, is located is emphasized to show how technology-driven beet processing in the region has changed the face of Çumra into a techno-city. The establishment of such a large sugar factory was not of course an arbitrary choice in the sense that Çumra has been the largest sugar beet producer of Konya.[54] In order to get more information on the activities of this sugar processing factory, I visited the factory and conducted an interview with the Director of Social and Administrative Services of Çumra Şeker. I also collected information on this entity through the magazines published by Konya Şeker and Pankobirlik. The web-sites of these organizations also helped me collect required information for this research.

I conducted fieldwork in Arıkören village in June 2009 and March 2010. In total, I conducted 20 in-depth interviews with male farmers. The sample consists of beet producers of different ages and with different land holdings. The breakdown among these farmers is as follows: four people under the age of 40, twelve people between the ages of 40 and 60, and four people above the age of 60. Among these respondents, three people cultivate land under 40 *dönüm*, 14 people between 40 and 200 *dönüm,* and three people above 200 *dönüm*. I determined this breakdown by taking the existing stratification in the village into account. I consulted the mayor of Arıkören to learn about the breakdown of land holdings in the village. As he reported, middle-sized lands (between 40 and 200 *dönüm*) are predominant in the

[54] I reviewed the data provided by TÜİK on the volume of beet production in Konya's districts between 1991 and 2010, and Çumra stands as the leading district for each year.

village. The number of households with large (larger than 200 *dönüm*) land holdings is about six, and small land holders cultivating land under 40 *dönüm* have almost disappeared in the village, save a few households. Middle-aged people continue farming in the village, the young generation mostly lives in the cities and visits the village occasionally. Taking these into account, the sample of this research can be said to be representative of the Arıkören population. I selected my research participants using a snowball method, after getting the first lead from my relatives living in Arıkören. I asked each interviewee to give the names of other farmers based on the age and land size in which I was interested.

The research area, Arıkören village, is also representative for Çumra district. As the mayor reported, this village is neither a periphery nor a center in terms of its contribution to beet production in Çumra. Total cultivated area is 25,000 *dönüm,* and approximately 250 to 300 households live in the village. The main cash crops that are cultivated are wheat, sugar beets and maize. This village is also significant in terms of understanding agrarian change in the past decade. "Until the last decade, this village had been known as 'Küçük Paris' (Le Petit Paris)… Now, most of the people here, really, come to cry for bread." This quotation is from a villager to whom I asked about the way he perceives the transformation that their village has gone through in the recent years. His assessment represents the general economic deterioration in the village, which had been one of the affluent rural communities in Konya.

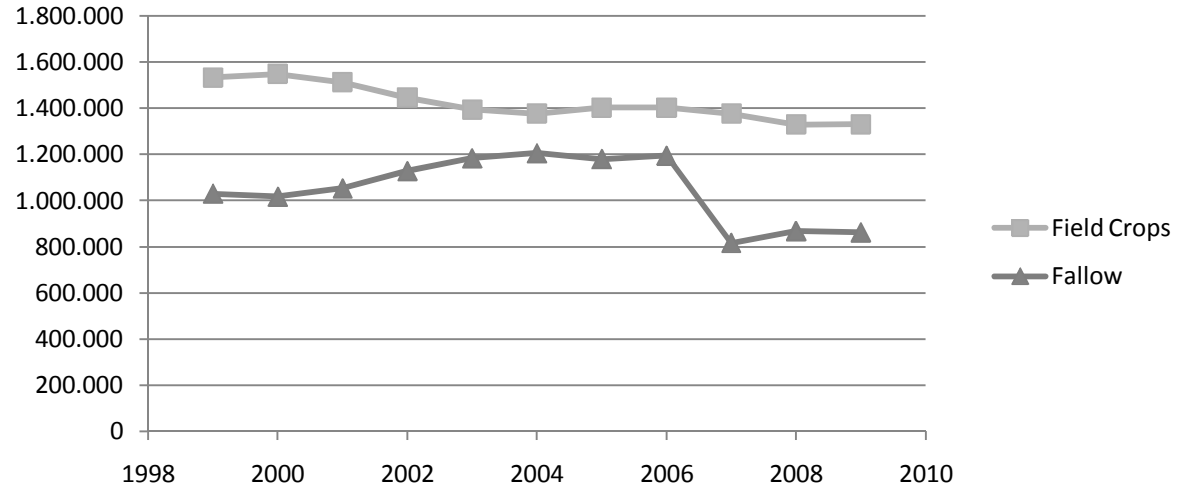
2. Locating the Field

2.1. Konya: Declining Agriculture, Rising Agribusiness

Konya province is located in Central Anatolia with the largest surface area (38,25km^2 except the lakes) in Turkey. According to the 2009 Census, the population of Konya Province

stands at 1,992,675, of which about 27 percentage lives in rural areas.[55] In the rankings of socio-economic development index (DPT, 2003), Konya is 26th out of 81 provinces in Turkey with its 2.5% contribution to the gross domestic product and 5% share in total national agricultural production. When we analyze Konya's gross domestic product on the basis of sectors, agriculture had a 18,9 % share in 2001 and employment in agriculture was about 33% of the total population of Konya in 2008 (Konya Valiliği Tarım İl Müdürlüğü, 2010, p. 27). Agricultural area constitutes 55 % of the total area in Konya (about 2,250 hectares) and the following chart shows the cultivated areas (by hectare) for field products and fallow area between the years 1999 and 2009.

Figure 9 **Cultivated and fallow areas in Konya (hectares, 1999-2009)**



Note. Adopted from TÜİK.

Figure 9 points out two significant developments in Konya's agriculture in recent years. Since the 2000s, we first see a decrease in the cultivated area for field crops, which is the primary agricultural activity in Konya. This is related to changes in Turkey's overall agriculture that has undergone a decline in cultivated areas as discussed in the previous chapter. Secondly, there has occurred a decrease in the fallow area. This points the

[55]Rural population in Konya has decreased by 13% between 2000 and 2009 ("Konya Valiliği Tarım İl Müdürlüğü", 2010, p. 27).

replacement of fallow areas (dry-farming) with intensive agriculture in the Konya Plains. Intensive agriculture means irrigated farming, more use of chemicals and other inputs. The farmers' complaints about input prices in Turkey (İslamoğlu et al., 2008) should be evaluated within the context of such a change in the farming model. Additionally, irrigated farming in Konya also shows us a change in this province's production pattern with the introduction of new crops. Grains are still important in the province, thus making it deserve the title of "Turkey's grain basket." Wheat is followed by barley and sugar beet production (see Table 3). Yet, in recent years, farmers in Konya have started to cultivate new crops such as maize, which necessitates irrigated farming.

Table 3
Product pattern in Konya by sown area and quantity (2009)

CROPS	Sown Area (hectare)	Production (tons)
WHEAT	744,700	2,867,437
BARLEY	331,735	1,050,758
SUGAR BEET	79,754	4,673,790
SUNFLOWER	14,854	43,338
CHICK PEA	28,180	31,027
MAIZE (FOR SILAGE)	10,460	458,360
GREEN MAIZE	15,076	148,488
ALFALFA	17,148	431,140

Note. Adopted from Konya Provincial Directorate of Agriculture

Despite the decrease in the area cultivated in the Konya Plains, Konya is still an important agricultural producer in Turkey, particularly in terms of sugar beet production. Konya's sugar beet production corresponds to 25% of Turkey's total produce while it is 14% for barley and 11% for wheat, and an increasing proportion of maize production (Ünal, interview, March 19, 2010). In addition, agriculture in Konya is also significant as being a locomotive sector for industrialization in the province.

Konya's economic development has attracted scholarly attention in recent years (Buğra & Savaşkan, 2010; Keyman & Lorasdağı, 2010; Pamuk, 2008). The umbrella term "Anatolian Tigers" is used to refer to the rise of business in Anatolian provinces and Konya is

considered to be one of the "modern and industrial provinces" of Turkey. Recent industrialization process in Konya is significant since it signals the rise of agribusiness, but at the same time it shows us the declining importance of agriculture in this province. Konya's agriculture has been extensively integrated into market relations while losing its significance for rural households. In this regard, Konya represents neoliberal transformations in Turkish agriculture in terms of the dissolution in rural areas and creation of a new structure in agriculture with the rise of agribusiness. Yet, we also need to emphasize different developments in Konya. Figure 11 shows, there is a decrease in the cultivated area for field crops; but at the same time, sugar beet production has increased in this province. This divergence from the decreasing beets production in the other provinces in Turkey indicates that neoliberalism affects particular rural areas in different ways. In order to elaborate on this point, the industrialization process in Konya, particularly the rise of agribusiness, needs to be addressed.

Konya Şeker has gained strength since the 2000s, while other sugar factories in other provinces (e.g. for Afyon, see Borlu, 2009) declined. According to "Turkey's largest 500 industries in 2010" research conducted by the Istanbul Chamber of Industry, Konya Şeker was the 36th largest industrial establishment. This company was also the most profitable enterprise in the food sector in Anatolia according to a research by *Ekonomist* and Fortis Bank (2010), "500 Anatolian Tigers." The increasing sugar beet production in the Konya Plains is directly related to Konya Şeker's success story as follows. Besides Konya Şeker and Çumra Şeker, Ereğli Şeker (Ereğli Sugar Factory) is the only other sugar factory in Konya. Ereğli Şeker is a state enterprise under the Türkiye Şeker Fabrikaları A.Ş. (Turkey Sugar Factories Corporation) established in 1926. Konya Şeker was also previously a state enterprise, but became a private company under the roof of Pankobirlik. In contrast to increasing amount of beet processing by Konya Şeker in the last decade, the amount of beets processed by Ereğli

Şeker and also the number of farmers cultivating beets for this factory have decreased ("Ereğli Şeker Fabrikası", n.d.). The comparison between Konya Şeker and Ereğli Şeker signals the effects of neoliberal policies implemented in Turkey's agriculture sector. Konya Şeker was privatized at the beginning of the 1990s and became a representative of private capital organized within a cooperative structure. Ereğli Şeker's situation indicates the diminishing role of the state as an actor in agriculture, particularly in sugar production. This privatization process in itself sheds light on another point related to what has changed in the cooperative sector.

Konya Şeker is organized as a cooperative structure: Farmers are not only beet sellers, but also shareholders in this company. Questions regarding the implications of neoliberal agricultural relations go beyond the privatization of state enterprises and concern farmers' role in the industrialization process. Since the beginning of the Republic, in an effort to develop the sugar sector in Turkey, farmers had been active actors by producing beets for state factories. What we witness in the last decade is that industrialization in the sugar sector is led by a private company functioning under the roof of a cooperative that creates a considerable amount of surplus. In this regard, it can be expected that farmers also increase their income-level through the surplus created by Konya Şeker. The findings of this research show that beet growers have not received a share from the surplus; rather they only provide beets. Although farmers benefit from beet production to a certain extent, I argue that beet growers have become more dependent on Konya Şeker and on the agricultural markets created by an amalgam structure that contains elements of both a cooperative and a profit-seeking company, as I will discuss in the following pages.

2.2. Arıkören Village, Çumra: Minor Gains, Major Projects

Çumra is located in the south of Konya province. It is an internationally well-known region where the largest prehistoric Neolithic-Chalcolithic site found to date, Çatalhöyük, which is the first settlement for early agriculture, is located (Konya Valiliği, n.d., p. 39). The contemporary history of Çumra, on the other hand, is short. During the construction of the Istanbul-Baghdad railroad between 1894 and 1913, a train station was built here which became the first building in Çumra. It then became a district in 1926, and immigrants from the Balkans to Anatolia were settled in this region (Çumra Kaymakamlığı).

Also, Turkey's first modern irrigation facility was constructed by Germans between 1907 and 1914 in this region (Atalık, n.d.). When the Konya Plains Project (*Konya Ovaları Projesi,* KOP),[56] a project that seeks to irrigate dry areas by opening new dams, is completed, the historical importance of Çumra would evolve into something new by changing the socio-economic environment there. All such prehistoric and historical specifities of Çumra underline the significance of agriculture for the region. Çumra is ranked first among 28 districts of Konya (excluding districts in the provincial center) in terms of the share of agriculture in GDP (see Table 4). Although it is a leading district of Konya with regard to the percentage of sown area in total agricultural area (52%), the employment rate in agriculture in this region is below the average.

[56] For a detailed information on KOP, see ("KOP", n.d., Konya Governorship). According to present water potential, irrigable land is 1,652,762 hectares and irrigated land is 377,462 hectares in Konya (Özkan, interview, March 19, 2010).

Table 4

Comparison of Çumra to other districts of Konya: SES variables and agriculture sector

ÇUMRA	Value	Ranking (x/28)
Total Population	104,576	3rd
Literacy Rate	90,34 %	6th
Income per capita	35,284 TL	9th
Employment rate in agriculture	80.63%	16th
Share of agriculture sector to GDP	0,38%	1st
Percentage of sown area (field products) in total area*	52%	3rd
Total area (hectare)*	2,090,638	7th

Note. Adopted from DPT (2004, pp. 184-185), TÜİK.

Çumra also has a relatively high socio-economic status compared to other parts of Konya: it is ranked 9th in terms of income and 6th in terms of literacy rate. Arıkören village is representative of the district of Çumra in terms of the socio-economic status of farmers and the cultivated area. As the mayor of Arıkören reported (interview, June 12, 2009), it is neither one of the central villages, with the highest level of income per capita (like Okçu village), nor a peripheral one like mountain villages where subsistence agriculture is extensive and literacy rate is low (like Çiçekköy village). The sample of 20 farmers with whom I conducted interviews exemplifies Arıkören village: they are predominantly middle-aged (40-60 years old), middle-school graduates and they cultivate middle-sized lands (100-500 decares) for cash crops.

Almost all crops that appear in the product pattern of Konya are cultivated in Çumra. If we make a comparison between the years 1998 and 2008 in terms of the changes in sown areas and production amount by crops, we see a noticeable increase in maize production in this region. In other products, except chickpeas, barley and sunflower, there are slight increases compared to maize (see Table 5). The decrease in peas also in Arıkören village is reported by the farmers in addition to the decrease in beans because of the problem of soil

salinization. To this picture, soybeans, rye, canola and safflower can be added, which have been produced since 2004. Yet, their production is not yet extensive. The product pattern in Arıkören is not very different from overall Çumra's. Yet, green lentils and potatoes are not cultivated in this village.

Table 5
Change in the product pattern of Çumra between the years 1998-2008 (by sown area and quantity)

CROPS	Years	Sown Area (hectare)	Production (tons)
Wheat	1998	52,000	130,000
	2008	57,500	172,500
Barley	1998	20,000	53,200
	2008	12,500	39,000
Maize	1998	300	15,000
	2008	4,430	42,200
Sugar Beets	1998	12,949	776,940
	2008	16,976	1,018,560
Sunflower	1998	25	30
	2008	12	19
Peas	1998	2,200	3,520
	2008	1,500	1,800
Beans	1998	4,200	10,080
	2008	6,000	10,500
Potatoes	1998	600	18,800
	2008	680	20,400
Green Lentils	1998	25	30
	2008	300	36

Note. Adopted from Konya Provincial Directorate of Agriculture

The importance of agriculture in Çumra increased in recent years after the establishment of Çumra Şeker (Çumra Sugar Integrated Facilities) by Konya Şeker in 2004. Why did Konya Şeker select this area to make such big investment? The director of Konya Provincial Directorate for Agriculture explained to me by saying that the Çumra region is open to adopting innovations: "People's acceptance of novelties is related to their education levels. If people's income level is high so is their education level. High income and high education levels foster the adoption of innovations." Although, he refers to education and income levels of people, the question should be why farmers welcome such innovations,

considering that they are actors making calculations and decisions, and establishing relations with other actors.

My argument here is twofold: First, farmers are expected to have a high education-level in order to be able to make calculations, which is necessary to integrate them into markets.[57] Second, concerning the choice of Çumra district, we need to address the possible effects of social ties in economic decision making from a relational perspective. I will explore these points in the following pages. Also, Konya Şeker's President Recep Konuk's role in this development cannot be disregarded. He took the initiative to build this factory in Çumra. Since his hometown is Çumra, his personal connections in this region must have played a role, as well.

All in all, major investments have been started to be placed in Konya's Çumra district. These initiatives seem to change the face of agriculture and agribusiness in this region to a significant extent. For example, agro-fuel processing facilities have been established and sugar beets are significant as an input for agro-fuel production. Through these new markets, farmers remain their villages and continue farming. Next, I will discuss how Arıkören farmers' reliance on market relations has increased under the neoliberal food regime, which has turned them into gamblers.

3. Making New Agricultural Markets in Arıkören

Arıkören has already been integrated to a number of markets by producing cash crops (e.g. wheat and sugar beet). My concern here is how the marketization process in the village has been intensified with the help of neoliberal policies during the last decade. On the one hand, new markets are created, such as in the case of maize cultivation. On the other hand, the

[57] Here we can recall Cammack's (2002) argument that neoliberalism wants to provide basic education to poor people in order to turn them into an exploitative workforce in the net of the world market (pp. 125-126).

market logic is crystallized in the society (Comaroff and Comaroff 2001) by transforming farmers into choosers and risk-bearers (Dunn, 2004), and self-managed individuals (Ong, 2006). In this section, I will open up these issues.

Introduction of new cash crops, specifically maize cultivation, is a new source of income-generation. By producing maize, farmers started to establish new market relations with various actors such as seed dealers and transnational corporations (TNCs). Each crop clearly signifies a formation of specific relations and for example, with the introduction of sunflower seed production in this village, a new type of contractual relation between transnational processors and farmers has been established. Focusing on contract farming, I want to discuss the transnational character of new market constitution in agriculture and more importantly why farmers choose to produce under a contract.

Contract farming is not a new phenomenon in Arıkören and farmers have been cultivating beets under contractual relations for a long time. Yet, the contractual relation itself has been transformed to a certain extent in the last decade. I argue that farmers are induced to be self-managed by their own cooperative. Following Ong's (2006) consideration, contractual relations under neoliberal governance turn farmers into self-managed individuals "according to market principles of discipline, efficiency, and competitiveness (p. 4, emphasis added).

The findings of this research correspond to the discussions on how neoliberal governance has transformed individuals (Dunn, 2004). Dunn's study of a post-socialist case claims that individuals become choosers and risk-bearers within an insecure economic environment under neoliberalism. Callon (1998) suggests considering these individuals as calculative agents who make choices and play a role in the construction of markets. My fieldwork findings support these ideas in the sense that farmers in Arıkören seem to have been turned into choosers and risk-bearers due to the uncertainties of market conditions. By using farmers' own assessment, I argue that farming has been transformed into a form of gambling.

Farmers gamble in a speculative and insecure economic environment as an everyday practice. They make calculations before, during and after, cultivation. In short, they are calculative agents. Yet, at this point, we need to raise a question: under which conditions do calculative agents emerge (Callon, 1998)?

The uncertain economic environment leads farmers to develop new strategies and search for alternatives to create new income generating activities, and so to continue producing. In this economic environment, farmers, on the one hand, seem to have more choice then previous years in the sense that the more diversified production pattern allows for them to choose which crops to cultivate. Yet, on the other hand, they become more regulated and controlled. For example, the introduction of the quota system in beet production under the Sugar Law, which will be explained in the subsequent pages, put a limit on the amount of beets produced, regulates farmers' activities. In addition, the production process is more controlled for example, by the introduction of new quality standards on the products. The quality of crops is controlled both during the production process (e.g. by the experts of the companies that carry out contract-based farming) and at the end of this process via price making tools (e.g. merchants price maize on the basis of its quality).

Before going further, I want to underline the fact that the farmers mentioned here are not a homogenous group. There clearly exists stratification in Arıkören village on the basis of farmers' economic status. Farmers in Arıkören are mostly petty commodity producers having the means of production and producing for various markets. The extensive production of beets under the cooperative structure, on the one hand, seems to prevent the dissolution of petty commodity producers. On the other hand, we can say that the dependency relation created by this cooperative structure leads to the accumulation of capital in the hands of specific agribusiness firms.

3.1. *Gambling*: Farming under a Precarious Market Structure

> *We are now like in a sieve and they shake us… If you can stay on top of the sieve, how lucky you are!*
>
> Hasan[58]

The economic situation of farmers has deteriorated in the last decade. Some of the reasons stated by farmers were the increase in input prices, decrease in crop prices, and environmental issues such as drought and soil salinization. Farmers also said that expenditures have increased in their households; they use cellular phones, they all want their children to get a good education and so on. Some of the farmers find individuals responsible for the decrease in their income: if they worked harder, they would have earned more. Farmers' testimonies about their economic situation raise two issues: one is related to structural changes in agriculture, the other is about how the market logic is embodied in the society. I will build my discussion on my ethnographic findings on these two points.

The epigraph at the beginning of this section gives us a clue about the effects of neoliberal restructuring of agriculture. The sieve analogy depicts the deterioration in the economic situation of many farmers who are often burdened by debt. Out of twenty farmers I interviewed, except two, all reported that they were indebted and had difficulty in repayments. The decrease in crop prices and the change in the state support mechanism were reported by the farmers as the main reasons behind this deterioration. The issue of rising input prices and how it has negatively affected the households in rural areas has been discussed in various studies (e.g. İslamoğlu et al., 2008). Additionally, in terms of the change in the state support system at the beginning of the 2000s, the transition to direct income supports had a negative

[58] All translations of the quotations from interviews are mine. In order to ensure the anonymity of the interviews conducted with farmers, I use pseudonyms throughout the thesis. However, I use the real names of interviewees who hold public positions.

impact (ibid.). The province of Konya is different from for example, the Aegean region, in the sense that the direct income support system was expected to create relatively positive results for the farmers in Konya due to larger size of land per household. Yet, some farmers in Arıkören reported that they could not benefit from these payments because of the fact that their lands were not registered at that time. Farmers were pleased with the abolishment of this support system, but they still do not think that the current state support system contributes sufficiently to their incomes considering high input prices.

Supports provided by the state to agricultural producers are differentiated: state makes payments on the basis of the amount they produced and that is varied for each crop, gives support for the compulsory soil analysis, and provides training supports and so on. Farmers find these payments not advantageous, especially the ones given on the basis of crop production:

> Do you think that the state really supports us? Yes, we receive money from the state for production, but getting support on the basis of crops is not advantageous. It is better if it gives good prices for wheat, rather than providing 30 TL premium payments for wheat. (Caner)

Additionally, farmers also find these supports ineffective and stress some uncertainties about these payments:

> The state announces the amount of payments late and by that time, we all have started production. Also, the payments are done late: you prepare yourself according to the time when they are making the payments, but you go to the bank and nothing there… The amount that is transmitted to my account does not correspond to the amount I calculated. I don't know whether the bank cuts it or it is the state that makes additional cuts. I am not the only person who notices it; everybody here is faced with this

> situation upon arrival to the bank… We all talk about it and just don't know why it happens. (Sezgin)

During my visit to the Konya Fair, the representative of the Agriculture Ministry made a statement about the payment of supports at its exact time in 2010 to prevent farmers from getting into trouble. When I revisited the village after the fair, I asked the farmers in the village coffee house (*kahve*) whether they got their payments as this representative declared. Sezgin told me "you know what we all here listen to such declarations on the TV and we just laugh at them: they are talking about 10 percentage of this village, the rest still cannot get their money." As this farmer's words show, the announcement time of support payments and also their receiving time are very critical for farmers because they have to plan their own payments and what cultivate. Within the current economic situation full of market uncertainties, farmers need more such signals (e.g. the signal of the amount of supports) to be able to make calculations. Farmers seem to be turned into calculative agents within the last decade as an effect of agricultural transformations in Arıkören.

Farmers reported that the product pattern has changed to a significant extent in their village since the 2000s. While wheat and sugar beets continue to be the major crops, new crops have started to be cultivated while others have been discontinued. All the respondents stressed that they were compelled by the increase in soil salinity to give up producing peas and beans, and compensated this change by maize production:

> We involuntarily left peas and beans production due to the salinization of soil. To compensate it, we started to cultivate maize. Actually maize is not so feasible for this area; it necessitates water a lot and it is very hard to get a good quality as it is done in Adana province with its suitable environmental conditions. (Tarık)

The comparison between growing maize, and peas and beans was frequently made by farmers during my fieldwork research. When I asked farmers about the changes in their

economic situation in the last decade, they constantly gave me the example of tractors full of peas and beans: "We were going to the provincial center with a tractor full of peas and beans and returning to the village with a new tractor. Now, what we get after selling maize is almost nothing… We feel lucky if we can cover the expenses on the inputs and make a few pennies" (Anıl). The farmer's statement here shows that the high price offered for peas and beans by populist governments in previous years have been replaced by the price offered for maize by merchants. Farmers generally sell maize to merchants who are the only ones determining the price of maize. In selling maize, farmers consider themselves dependent on merchants:

> Maize is such a crop that you do not have a chance to warehouse it and sell at another time. As soon as you cultivate it, you need to find a buyer and you have to accept the price they determine… Merchants make the prices on the basis of the degree of maize moisture; they measure this degree and then give you the price of maize. (Anıl)

Maize production in this village has created new markets into which farmers have integrated via purchasing inputs or selling maize. Farmers have been involved in international/transnational markets especially by buying seeds for maize. This fact is basically acknowledgeable through the advertisements belonging to a number of transnational companies that were posted on the walls of the *kahve*. More concretely, when I asked farmers about which brand they use, most of them reported that they use *Pioneer*, which is a brand that belongs to a transnational company.[59] Maize growers stated that these seeds are hybrid (which are not reproducible), and so they have to buy new seeds each time they cultivate. Surely, although the seed producer is a transnational company in this case, the seed dealers are not necessarily so. Farmers expressed that they get these seeds for example, from Tarım Kredi (Turkish Agriculture Credit Cooperative). In terms of exactly to whom or to where

[59] http://www.pioneer.com/landing/

farmers sell maize, I did not get specific addresses; they just reported as to the merchants. The national/transnational character of these merchants appeared once in our conversations when they talked about the time the village earned a lot from maize selling. Farmers mentioned a purchaser who came to the village three or four years ago as "the guys coming from Adapazarı," a province in Northwestern Turkey. I learned later that this purchaser is the transnational company, Cargill, which has an agrifood processing plant in Adapazarı. Cargill produces starch based sugar and has ties with a leading Turkish company, Ülker. This company's transnational character is not of concern in the village, as it is for other two companies Syngenta and Monsanto that have established contractual relations with the farmers in Arıkören for sunflower seed production.

Sunflower seeds are another crop introduced in the product pattern of Arıkören. The cultivated area is limited for this crop relative to wheat, sugar beets and maize; it has not spread widely. Although the contractual relation provides some advantages to farmers (e.g. predetermined purchaser), my research shows that farmers are not so willing to be involved its production. The main reasons behind this unwillingness derive mostly from farmers' disappointment with the transnational company Monsanto and their feeling of being dependent in this production process.

Farmers in Arıkören first started to cultivate sunflower seeds under contract with Monsanto about six years ago. They expressed that they made gains on sunflower seeds with Monsanto in the first year but things changed in the following years and this business became a loss for farmers. The reasons for their loss are related to the conditions of contractual relations, especially the guarantor system:

> They [Monsanto] formed groups constituting five to seven people for sunflower seeds production, and if you cannot provide the total amount they asked for in the contract as a group, they don't buy the yield… We realized that the seeds they gave us as a group

> were not identical. So if a group made money from this production, this would probably be because of the high-yielding seeds they used. (Fatih)

Monsanto formed some groups in the village to get a sufficient amount of seeds; but from this farmer's statement, it appears that this company wanted to test the efficiency of different seeds in this village after the first year. This situation ended up with Monsanto's withdrawal from the village after three years. In 2009, farmers started to establish new contractual relations for sunflower seed production with another transnational company, Syngenta. I asked them why they chose to get into business with Syngenta despite the previous losses producing for Monsanto. They stressed the difference of this contractual relation from the previous one:

> The terms of the contract that Syngenta proposes are better… You are responsible on your own, so it doesn't matter for me if my neighbor can't get the yield they asked for. I am working hard… This is me, not the corporation, who irrigates the land, hires the labor. So you need to monitor the whole production process and what you get depends on your work. (Sezgin)

I find this quotation important in the sense that it exemplifies my argument regarding how farmers are "induced to self-manage according to market principles of discipline, efficiency, and competitiveness" (Ong, 2006, p. 4). Sezgin believes that if he works hard in a disciplined manner, he can increase the yield. He also appreciates the terms of the contract that he established with Syngenta in the sense that he is independent from what other farmers do and competes in the market on his own.

It is especially the risky nature of this business that leads farmers to emphasize more being self-managed individuals. It is risky mostly because of the fact that farmers need to provide the amount declared in the contract; otherwise, they are likely to lose their lands. That's why they are required to control each step and be self-managed. My research findings

also address another point about why farmers find this contract farming risky. The transnational character of the company appeared in the narratives of some farmers who expressed that they do not have confidence in this company:

> This company [Syngenta] seeks its own profit… It is obvious that it does not support farmers as Pankobirlik does. If this company cannot be successful here, it would probably search for other places… We would be the losers, not them. We signed a promissory note: if we cannot provide the amount they require, they will take our lands. (Tuğrul)

This farmer here makes a comparison between two different types of contract farming: the one with Syngenta for sunflower seed production and the other with Çumra Şeker (mentioned by him as Pankobirlik) for beet production. Actually, the difference between these two contractual relations in terms of their advantages lets farmers think that the contractual relation established for sugar beet production is supportive. Çumra Şeker provides more than the inputs like seeds and pesticides; for example, it makes advance payments and provides other necessities (e.g. cheese and coal). Additionally, the farmer expresses his doubts about Syngenta by putting an emphasis on its transnational character: "If this company cannot be successful here, it would probably search for other places." This farmer is implicitly comparing Syngenta with Konya Şeker, which, although it also engages in contractual farming, does so with local producers only. Farmers in Arıkören have already produced for the state, for a number of national companies (e.g. barley for the beer maker Efes Pilsen), for the cooperative and also for transnational companies. All of these are differentiated in terms of the gains, control mechanisms, duration of the contract and riskiness. I found out that the issue of riskiness and doubt appear in their narratives about one type of contractual relation and this is the one they established with transnational companies, Monsanto and Syngenta.

Also, farmers mentioned how they felt themselves while they were talking about these transnational companies:

> We become wage laborer [*ırgat*] on our own land, we need to follow their schedule that determines when we irrigate, harvest and so on. (İsmet)

Yet, despite the riskiness of the contractual relation with transnational companies and/or feeling of dependency, farmers find contract farming advantageous because of its benefits that can be considered as certainties of the contractual relation: the contractor provides required inputs, makes initial payments for irrigation and labor, and offers a certain price for the final product beforehand. These benefits/certainties are very crucial for farmers considering high-indebtedness and the current economic environment full of uncertainties. A farmer told me that "if you cannot pay your water bills, you cannot irrigate; this means you cannot produce… The contractors make a payment for irrigation beforehand." All in all, most of the farmers acknowledge the riskiness of contractual production with Syngenta and Monsanto, but at the same time, they voice that they are ready to take these risks:

> In the end, we are gambling [*kumar oynuyoruz*]… I am looking for alternatives to continue farming. I have a huge amount of debt and the only way for me to continue producing is shaking hands with these corporations. (İsmet)

As this farmer notes, contract farming with transnational companies, despite its risky nature and farmers' sense of being controlled, emerges as a way out for farmers to cope with the current market uncertainties in agriculture. Farmers gamble in an environment in which agricultural activity is risky business as a result of the uncertainties derived not only from natural causes (e.g. drought), but also from the very market conditions in agriculture. In these market conditions, the state increasingly washes its hands off from agricultural activities, inputs like seeds and fertilizers are further commodified, new markets created and even knowledge becomes a commodity, and farmers are forced to be efficient and competitive. I

will wrap up the discussion on the general change in Arıkören village by summarizing my findings as follows.

We witness a decrease in the state's role in this village's agriculture. In addition to maize and sunflower seeds discussed above, the two other crops cultivated in the village are wheat and sugar beets. In terms of sugar beet production, the publicly-owned sugar factory, Konya Şeker, was privatized at the beginnings of the 1990s. In 2004, a new private sugar factory, Çumra Şeker was established in the district of Çumra by Konya Şeker. Arıkören farmers now only produce beets for Çumra Şeker. The beet production process is now under the control of this private enterprise and the state does not provide any support to beet growers in this region. Rather, it seems that Çumra Şeker under the management of Konya Şeker leads and controls the beet production process in the village.

During my visit to the 2010 Konya Fair, a representative from Konya Provincial Agriculture Directorate stated that "we, as the directorate, are behind Pankobirlik. Since, we implement things dictated by the Ministry and cannot develop projects on our own." The state representative here drew the line between a state institution and Pankobirlik in terms of developing projects. This point is significant and further sheds light on the decreasing role of the state in agricultural activities. Pankobirlik is the union of beets growers' cooperative and an economic enterprise as having shares in a number of sugar factories, and in other private enterprises such as a seed producing company, Beta Ziraat. At the same time, Pankobirlik presents itself as a civil society organization. It develops various projects and implements them whether by its own capital or by external resources (e.g. EU, WB). In Arıkören, it is also Çumra Şeker under the roof of Pankobirlik which implements a number of agricultural projects, not the state. A farmer from this village also told me that "I praise Pankobirlik [*pancar dairesi*], but not the state." In the case of sugar beet production, farmers appreciate the privatization of a state enterprise: beet cultivation became a significant income generating

activity. However, when the subject matter is wheat, farmers complain about the diminishing role of the state in wheat processing.

Wheat is the most extensively cultivated crop in Arıkören. In recent years, the state's role as the primary buyer has declined and been replaced by merchants. State has been making purchases though its institution Soil Products Office (*Toprak Mahsulleri Ofisi*) and as farmers reported that in the last year they came to be dependent on merchants because of the fact that the state does not make purchases each year. This case reflects the implications of the promises given to the IMF and the WB, that is, privatization or defunctionalization of institutions making support purchases (Aysu in Atayurt & Göktürk, 2010). Although the Soil Products Office has yet to be privatized, defunctionalization of this institution is on its way. The state continuously replaces its role of purchaser by the merchants and has also established a quota system for purchases:

> There is now a speculation that the Soil Products Office will not buy wheat less than 80 tons in the following year… This will make us more dependent on the merchants. (Serkan)

Farmers are not content with the current situation of wheat production and complain about low prices offered for wheat by the merchants, or given by the state. While they are addressing how the state's diminishing role in wheat production has affected them negatively, they at the same time blame populist policies of the previous governments:

> We got used to luxury during the period of Özal government [in the 1980s]. Then, Erbakan and Çiller came and gave high prices to the farmers to get votes. Mesut Yılmaz did the same… (Tamer)

In many instances, we see the rollback of the state and increasing marketization process in this village. Yet, the rollback of the state does not necessarily mean that the state no longer plays a role in agriculture. The state's actions are still very important for farmers; not

so much in the terms of supporting them, but in terms of providing signals to the farmers who have been turned into calculative individuals. For example, farmers turn to crops for which the highest premium payments are provided by the state.

While farmers are operating in newly constructed agricultural markets, e.g., for maize production, they become more integrated into new markets by deepening the commodification process in agriculture. In parallel to the diversification in the product pattern and the aim to increase efficiency in agricultural production, farmers use more fertilizers and pesticides and buy new seeds for each round of production. For example, for maize production, farmers need to purchase new seeds in each year since maize seeds are hybrid and not reproducible. Even for wheat seeds which can be reproducible, we see a further commodification process: state promotes the use of certified seeds and gives support to those farmers who use these seeds. Farmers still exchange wheat seeds among themselves, but they mostly prefer to buy each year a new pack of certified seeds in order to increase the yield. New seeds, new crops, all changes in production processes necessitate new forms of knowledge. It is not the farmers who produce these new forms of knowledge. Rather, farmers go to the market to buy this knowledge and this sheds light on the commodification of knowledge in agriculture. For example, farmers consult experts when they are faced with any problem in their lands from using suitable pesticides to the ways to increase the yield. These experts usually function under a private consulting firm and farmers pay for this service. The state also provides premium payments to farmers who get these services.

All in all, the above discussions show us that farmers' economic situation has deteriorated in the last decade in an economic environment in which new markets have been created through the commodification of agricultural inputs from seeds to knowledge. Farmers express that they turn into gamblers who are forced to be disciplined self-managers in order to handle market uncertainties and develop various strategies to be able continue producing.

3.2. *Strategies*: A Way to "Stay above the Sieve"

The risky nature of agricultural production derives from the current economic environment full of uncertainties as well as environmental and climatic conditions. In all the interviews I conducted, farmers pointed at market uncertainties and how it is difficult for them to earn an income through farming. The notion of strategy used here came out of these interviews. On the basis of farmers' reference to specific activities/practices, I will first explore some strategies employed by farmers throughout the production process like product alternation. Secondly, I will highlight the importance of other income generating activities in which farmers are involved in order to continue farming.

As the production pattern has been diversified in the village, farmers generally seek to cultivate more than one crop. They predict that if they lose in the other(s), they earn from cultivating one crop:

> If I invest only in one product, it becomes risky. When one makes profit, the other does not. Either you earn a lot or you lose. In principle, I cultivate all these products [sugar beets, maize, wheat and barley] in a standard manner, I need all them. Farming is a risky business. If something happens to one crop, I need another product to make a living. (Hasan)

Product alternation is significant for farmers to spread possible risks that could result from drought or seasonal prices announced after the cultivation. Actually, the riskiness of farming is mostly mentioned regarding crops other than sugar beets. Farmers expressed their willingness to produce only beets if it were possible. A farmer stated:

> If they let us cultivate completely sugar beets, I would not go in for producing wheat. I just cultivate a limited amount of wheat for my subsistence and no more. (Sezgin)

The limitation to beet production is twofold. Firstly, alternation in beet cultivated area is done in every four years; beet production is allowed in a particular part of the village and people who have lands in that location are able to produce beets. Secondly, the contractual nature of beet production puts a quota limitation on the amount that can be produced and this leads farmers to cultivate according to the determined amount of quota they possess. Different amount of quotas are distributed to each farmer by Konya Şeker and, as it will be explored later, there is no transparency in quota distribution, and favoritism plays a role. These limitations clearly prevent beet growers from cultivating beets as much as they want. Additionally, farmers in the village who are not members of Pankobirlik cannot produce beets and especially for them, product alternation stands as a significant strategy to spread possible risks.

These kinds of limitations in beet production lead farmers to develop new strategies in order to increase the gain from beet production and to keep their quotas. In this regard, I want to point out both a contradiction in the contractual system and how the contractual relation makes farmers develop strategies to find a way out of this contradiction. On the one hand, Çumra Şeker (the contractor) asks farmers for the delivery of certain amount of beets that farmers are committed to supply according to their quota. If a farmer does not, or cannot, produce the determined amount, the contractor reduces this farmer's quota as a penalty. On the other hand, the contractor determines a particular site for beets in the village. Farmers do not necessarily possess land in this site, but at the same time they need to provide determined amount of beets. This contradiction itself leads farmers to employ some strategies in order to keep their right to continue producing beets. One strategy mentioned by farmers is about land-renting and/or land-swapping Farmers reported that they use the land located in the specified site for beet production in exchange for land out of this area. This exchange does not occur in the form of bartering; rather the person who gets the land for beet production makes payment

or gives a sack of sugar in return for the exchange. Additionally, some farmers said that they directly rent land from the site determined for beet production. Renting land in the village is primarily the subject of beet cultivation. The findings of my research indicate that farmers who said that they rent land do it usually for beet production and the rents are high for the lands allocated to beet cultivation. This shows that beet production plays a significant role in determining the value of land.

Another strategy employed in sugar beet production is cultivation under someone else's contract. The contract in this case becomes a commodity. Farmers who have quota and want to produce more or the ones who do not have a contract and want to produce beets use others' contract to do so. Still, these farmers produce and sell under the name of the farmers who possess the contract: the actual producer is responsible for the overall production process and makes a payment or provides a sack of sugar to the contract-owner in return. The one who possesses the contract also benefits from this strategy by keeping his/her quota. Additionally, the quota system in beet production seems to turn farmers into merchants. Farmers reported that they sell their surplus tonnage (the amount above the quota) directly to another farmer who would buy surplus beets in order to fill up his/her own quota. Farmers employ such strategies to be able to produce beets, a crop considered as the highest income-yielding activity in the village. To explain how beet is profitable, farmers make basic calculations:

> From 50,000 m^2 land, I can get 750 tons of beets, of which 250 tons is profit and this makes 25 billion Turkish liras. This will support me more than enough. (Sezgin)

These kind of calculations, and also more complex ones, were made by farmers constantly throughout our conversations. Initially I got puzzled by how fast they make these calculations. When I went through the interviews, I recognized that these calculations are an important part of their strategies to make decisions before and during the production

processes. Yet, these calculations are just predictions and carry uncertainties. They do not and/or cannot calculate every item; many factors like undetermined and fluctuating prices for products and also for inputs rock the calculation process. In such an environment full of market uncertainties, farmers stated that they gamble as a strategy, and to strengthen their hands in this game, some emphasized the importance of producing more:

> Your situation cannot be better if you do not cultivate. You need to try to get more from each corner of the land you cultivate. To cultivate more, you need to irrigate land more and you need to use new seeds for example, for yearly cultivation of wheat. (Mustafa)

The farmer here stresses that the more you try to economize on inputs, the less you can gain from farming. This consideration is in line with the modern (intensive) agricultural production model that promotes getting the highest yields from less land and in the least time. Yet, there is a limitation to the use of inputs which basically derives from farmers' current economic situation. Farmers are not able to get the necessary inputs because of high prices. In such a situation, they reported that they prefer to fallow land as a strategy by decreasing the risk of losing. Fallowing here is a consequence of farmers' economic conditions, rather than resulting from a concern for resting land:

> I have a great amount of debt and am obliged to economize on water. If you irrigate less, you cannot get sufficient yield from the land. That's why I prefer to fallow the land rather than cultivating. I do not want to risk all the money I can invest considering that I would not be able to irrigate more. (Harun)

Irrigation will become a bigger concern in the following years as a result of the privatization of TEDAŞ (Turkish Electricity Distribution Corporation) that distributes electricity used in agricultural irrigation. Starting in 2011, farmers have to pay the bills monthly. So far, the irrigation cooperative has been collecting the debts by harvest time and

this means once a year for the villagers. Considering how it is difficult for farmers having a regular monthly income, as farmers complained, irrigation, which operates on electricity, will turn into a bigger problem for them.

Meeting input costs is important for farmers to start cultivation. I want to underline another strategy employed by farmers to overcome the difficulties they face regarding input costs. Here, contract farming appears as a way out of high input prices. Farmers use inputs that they get as a part of their contractual relation in other crop production processes. Contractual production in the village is based on two crops, namely sugar beets and sunflower seeds. Considering the relative extensity of beet production in comparison to sunflower seeds, it is mostly beet producers who use the input (e.g. fertilizers) provided by the contractor, Çumra Şeker, for other crops like maize without making cash payments. A farmer reported:

> If Pankobirlik does not provide us checks for buying diesel-oil, we would not be able to continue producing, not only sugar beets but also other crops like wheat and maize... We of course use these checks for the production of these other crops in addition to beets. When we start cultivation we do not necessarily have enough cash and these checks are like life-saver. (Hasan)

The contractual relations established in beet production become strategic for farmers to continue producing. This is so because of the fact that contract farming provides more than the inputs that beet production necessitates: for example, the contractor makes advance payments to the farmers, which farmers use to meet their diversified needs (e.g. debt repayment). Although beet production provides various advantages to farmers, this does not in itself help farmers to generate enough income to meet their livelihood requirements and continue farming. Almost all farmers emphasized that they need more household labor as a way to continue producing:

> Input prices are continuously rising and in this situation, you should economize on labor by using your own labor more. If you hire outside labor even for irrigation, you would not be able to compensate your expenses with what you earn from production. (Mustafa)

Household labor is used in many kinds of works directly related to the production process as well as unrelated ones that generate income and/or support household subsistence, like animal husbandry. When the question comes to the use of household labor, this mostly refers to using women's and children's labor. During my fieldwork research, I observed that both female and male children participate in irrigation and help out in milling wheat. Women mostly do domestic work. In small and medium households, animal husbandry depends on female labor. For example, a number of farmers reported that they quit doing husbandry after their wives' death or illness. Animal husbandry is important for farmers for subsistence production by supplying staple foods like cheese, butter and milk. Farmers reported that keeping a few sheep or several cows is not enough to make it an income generating activity. If a farmer cannot hire labor for tending animals, women's labor is used more. Domestic work and elderly care are also all on the shoulders of women. During my stay in the village, I observed that exploitation of women's labor in many households seems to be a way to continue farming. It substitutes for the need to hire workers. Additionally, a number of male farmers also reported that they put more labor to farming than before in order to maintain subsistence of their households. In this regard, male farmers engage in alternative income generating activities both within and outside the village.

A great number of farmers in Arıkören seek jobs other than farming to earn a regular income and to strengthen their hands in the game. A job in the public sector is considered as a good alternative due to its regular monthly income. This kind of a job is clearly out of question for elderly farmers, so it is the younger generation who wants public sector jobs. In

the village, there were few farmers who had such jobs; a farmer working as a gatekeeper in the Soil Products Office reported:

> If I do not do this work, it would be really hard for me to continue farming. Most of the people here complain each month about the difficulty of meeting their needs… I feel lucky; at least for now, I have a guaranteed income if I cannot earn anything from farming. (Talha)

This farmer also felt himself lucky for being young. He stated that he had the option of quitting farming in the next two-three years if he decides to do so and looking for other jobs that provide monthly income. Since the number of positions in public sector is limited in the village, farmers also look for other jobs as an alternative to farming. One of my respondents who worked as a driver stated:

> Three years ago, I started to search for other ways to generate additional income. Now I am working as a driver in the company *X*. I was obliged to do this because farming doesn't actually contribute anything. Believe or not, now I am earning from this job more than farming. (Yasin)

Clearly, finding an alternative job to farming is not so easy and the above two respondents above are exceptions in the village. They still continue farming and try to compensate farming by these kinds of jobs. Farmers are also involved in some in-village activities to generate additional income. They think that if they work harder, they would be able to increase their income level. Working harder here does not correspond to previous discussions related to households' own agricultural activities. Rather, it refers to working in other people's lands and so an extra use of labor. For example, some farmers reported that they collected and compressed hay left from wheat harvest to be used in animal feeding. This kind of work necessitates possession of specific equipment. If a farmer has a hay gathering machine, he goes to other farmers' lands and gathers hay.

There is a nuance here in terms of "dignity" and let me explain it with reference to another form of labor use. In the village, it is mostly landless farmers who work in other farmers' lands as workers. They are hired by their neighbors for example to irrigate lands and do basic works in the land which do not necessitate considerable labor force. The works that require more labor force like hoeing are done by seasonal workers. In interviews with small farmers, I realized that if a farmer possessed a limited size of land and really required an extra job, he was less likely to work in his neighbors' lands. They found this kind of work as a threat to their dignity in the village and so they were not so ready to do such work to earn extra income. Yet, in the case of hay stacking, a farmer possesses equipment in addition to his labor. This farmer considers himself, and also is perceived by the villagers, as a hardworking person.

All in all, the current economic situation in the village leads farmers to search for additional income generating activities and employ a number of strategies to continue farming. The analysis of strategies employed by farmers shows us, first of all, that the current economic environment in which most of the farmers are indebted has affected social relations in the village. Farmers reported that trust-based relations (e.g. undersigning for someone else's bank loan) that had been an important part of their relations have almost disappeared. For example, farmers stated that they now cannot borrow from their neighbors when they need and have to look for alternative jobs. Secondly, these alternatives become limited because of the very reason of being indebted in the sense that farmers approach being indebted as a loss of dignity and they mostly prefer to keep it confidential. Yet, thirdly, farmers are constantly in search for additional income generating activities and they all acknowledge that in this current situation, it is really hard to survive only by farming. Even one of my respondents whose economic situation was better than others and was perceived as a rich farmer among the villagers emphasized the importance of doing additional jobs:

> If this grocery store [that he owned] did not exist, I could not continue producing. I invest the money I earned from here in farming and the money I got from production in here. (Metin)

Lastly, alternative sources of income are limited in the village. In this sense, farmers employ different strategies to continue farming like economizing on inputs and using more household labor. To what extent these kinds of strategies (will) help farmers to continue producing is open to question. As farmers in Arıkören said, small farmers have already dissolved and middle ones are struggling to survive:

> Isn't it what they wanted to do? Pushing us out of production and turning farming into a business for rich guys? (Sezgin)

Farming really seems to become the business of large farmers or of agro-industries, but my research findings show that farmers in Arıkören do not seem to be dissolved so easily considering the beet production process in the village. I argue that contractual beet production in the village is a mechanism that allows farmers to remain in the village. I discuss how this happens in the next section.

4. Sugar Beet Production in Arıkören: Farmers, Pankobirlik and Konya Şeker

Beet production in Arıkören village is the most significant income generating agricultural activity and almost all households make a living on beets. From small to big farmers, all my respondents constantly stated that if they do not cultivate beets, it would be really hard for them to continue farming. My research question here is what kind of a structure has prepared the ground for the villagers to cultivate more beets and earn money from it contrary to the overall trend of decreasing numbers of beet growers in Turkey's countryside since the 2000s. On the basis of my fieldwork, I argue that beet production has

increased in Konya by the very hand of neoliberal policies that have strengthened a number of agribusinesses, among which Konya Şeker appears as an outstanding actor.

The contractual relations in beet production are established among farmers and the Konya Şeker company which is organized as a cooperative structure, and so in which farmers also have shares. Then, farmers are not only beet suppliers, but also the shareholders of this private company. Konya Şeker constantly declares that, farmers have played an important role in the construction of the current structure of Konya's beet production. Yet, the findings of my research contradict this company's discourse as follows. While Konya Şeker is talking about how they create a successful industrialization model in the region, they emphasize that this is farmers' success and the very cooperative structure has created an environment for farmers to increase their incomes. Contrary to Konya Şeker's perception, I argue that this company has truly grown on the shoulders of farmers, but not by perceiving them as shareholders but rather by making them more dependent on contractual beet production itself. I will first discuss what kind of an institution Konya Şeker is with a particular focus on new sugar factory established by this organization in Çumra. In this village, since 2004, beet production is controlled by Çumra Şeker that is considered to be the most modern sugar factory and the foremost agro-fuel producer in Turkey.

Secondly, I will discuss the beet production process itself with a focus on the contractual relations between the sugar factory and the farmers. This discussion will be based on farmers' own perceptions, and through it, I aim to show how villagers have become more dependent on this relation not only in terms of beet production, but also in terms of their livelihoods. Actually, compared to other forms of contractual relations established with different actors like Monsanto and Syngenta on sunflower seeds production, farmers still perceive themselves independent in their relation with the sugar factory. This perception derives mostly from the fact that this factory is owned by their cooperative, Pankobirlik and

that's why farmers consider this relation as supportive. Yet, farmers also approach the sugar factory as a usurer and openly talk about how they have lost their independence in beet production in the last decade, especially regarding quota limitations and sales.

On the one hand, farmers benefit from the advantages of this contractual relation which provides inputs, advance payments, credit and basic necessities. Farmers who are indebted benefit from these without being obliged to pay money out of their pocket during the production process, and these are subtracted from the value of beets when they deliver their products to the factory. My argument here is that this contractual relation has increasingly subordinated farmers to agribusiness through ties of credit and debt (Watts, 1994).

On the other hand, there is a quota limitation in beet production and also the area where cultivation is carried out is determined by the factory. These clearly set limits to the farmers who cannot produce beets in the amount and area that they wish to do. The lack of independence continues during the beet production process in which each step from planting seeds to harvesting is under the gaze of the sugar factory. The value of beets is also determined by the factory and during sales; farmers do not seem to have any bargaining power. Through such a controlled beet production process, farmers increasingly lose their independence.

In addition to the fact that farmers become subordinated to the sugar factory in which they have a share, there is no democratic involvement and transparency. Farmers reported that they do not have a say in decision making processes in the sugar factory contrary to what might be expected in a cooperative structure. They also complained about the lack of transparency in sales, quota distribution among farmers, and in terms of how the deduction of credit payments, inputs and other supplies provided by the factory were made from the sale revenue. All in all, despite the problems in beet production regarding the issues of independence and democracy, my research findings show that farmers are still willing to

continue producing beets within the current structure of beet production. By the construction of new markets for example, for agro-fuel production, the importance of beets for the livelihoods of farmers will probably increase in this locality, so do the dependency of farmers on Çumra Şeker. In my research I question whether the current cooperative model promoted by Pankobirlik in agriculture works on behalf of agricultural producers themselves. Contrary to a number of optimistic and/or supportive arguments for this model (e.g. İslamoğlu et al., 2008), I want to show the other side of the coin which shows a more pessimistic picture about the future of farming in this locality as follows.

4.1. Konya Şeker: An Amalgam of Cooperative and Corporation

I got on a bus to go to Arıkören village from Konya. I was chatting with the woman sitting next to me. I saw a street sign, Recep Konuk Caddesi, and I asked this woman who he was. Recep Konuk, she just said, is "our chairman" [*başkanımız*]. I became curious about this man and what made him so special that a street is named after him.

Recep Konuk[60] is the chairman of both Pankobirlik and Konya Şeker, but why he was called as "*our* chairman" by a woman, and by other villagers, who do not have direct ties with these institutions? Recep Konuk is from the district of Çumra and was elected as the mayor of Çumra municipality in 1994 when the Nationalist Movement Party (*Milliyetçi Hareket Partisi,* MHP) won the local elections. Villagers do not call him chairman because of his being *Çumralı* or his mayoralty. Rather, his position as mayor prepared the ground for him to assume the leadership of Konya Şeker in 1999 and of Pankobirlik the following year. Especially the establishment of Çumra Şeker under his directives in 2004 put him in the position of the leader of *Çumralılar.* Villagers attribute the changes after 2004 to Konuk's efforts in agro-industry. Almost all villagers appreciate what he has done for the region by

[60] For his personal web-site, see: http://www.recepkonuk.com.tr/

saying that "God Bless our chairman" [*Allah başkanımızdan razı olsun*], even though they also express criticism.

I noticed a tension in the village about Konuk's work in the region which was also reflected in my failed attempt to arrange an interview with Konuk. This tension pertains to Konuk's position as the "single man" (*tek adam*) in decision making processes and arrangement of production processes as well as the position of Konya Şeker relative to other sugar factories under the roof of Pankobirlik, especially Kayseri Şeker. The issue of the quota system illustrates this tension. The quota system was introduced through the Sugar Law in 2001. Each factory as well as each individual has quotas, which determine the amount of production. Recep Konuk, as the chairman of Pankobirlik, has power to arrange the distribution of quotas among this union's sugar factories and the distribution is done unevenly in favor of Konya Şeker. A similar claim is also pertinent with regard to the distribution of quotas among individuals. Farmers reported that after the establishment of the sugar factory in Çumra, the quotas were rearranged:

> Before Konuk took the lead, each village had its own quota and we were sharing it among us. We the villagers were making our own decisions about the amount we want to produce. Now, they do not let us produce as much as we want. (Tahir)

The change from a village-based quota distribution to individual-based distribution is surely a reflection of the Sugar Law, not put into force by Konuk himself. Yet, the determined amount of quota is given to sugar factories and then distributed among individuals. This fact highlights two related points for this research's concern. One is about how neoliberalism has created self-managed individuals: farmers now come to arrange their own production according to specific amount of quota they possessed individually, not as a village. The other is about the way the quotas are distributed among farmers and here farmers reported that cronyism and nepotism became the determining factors for the amount of quota that one gets:

> The more you are closer to the chairman, the more you can produce… If you want an increase in you quota, you surely need to be in support of the chairman (Caner).

Farmers have their own differentiated assessments about how the quota distribution functions and they are very clear on it. While some argue that the circle of acquaintances determines the amount of quota one get, others say that it depends on how much you work. The findings of my research show that there is not a direct correlation between putting more effort or working hard and getting more quotas. Even farmers, who were not previously a member of the cooperative, cannot become a member if they wish and get a right to produce beets. Contrary to the promises of neoliberalism, I argue that the market for beets does not provide a competitive environment in which hard worker gets more; rather, favoritism still rules this market. Additionally, the non-existence or in-accessibility of any formal documents that explain the regulation of quotas still leaves the issue on the table with questions about transparency in quota distribution mechanisms.

The issue of democracy also arose when I asked to farmers about the decision-making process in the cooperative:

> Recep Konuk knows his business (*işini biliyor*). In the board meetings, he distributes gifts. He publishes showy catalogs and magazines... All are at our cost, but what do we do really? Let me tell you. It is so simple. We do just what he says… We raise our hands for affirmative votes even without understanding what he asks. They are all procedural; he does what he wants to do. (Mahmut)

I asked farmers why they did not take a more active role in the decision-making process or object to the decisions taken in the board meetings if they were not satisfied. I got various answers: some stated that they have no extra time to be involved actively in the decision-making process and some simply expressed their disinterest. One farmer told me that

he went to court against the cooperative "to uncover the game played by Konuk." I became curious about what kind of a *game* was played out in this locality in beet production.

"We don't talk, we produce" (*Laf Değil, İş Üretiyoruz*). This is the title in one of issues of the magazine published by Konya Şeker (Konuk, 2007b). In six pages, the activities of Konya Şeker between the years 1999 and 2007 are summarized. The design of the first page is fairly interesting: we see Recep Konuk's one page photograph with a sun shining behind him and at the bottom, it is written that "we have made Konya Şeker an industry giant in eight years; this is a collective success of producers, workers and managers." The numbers are conspicuous. The capital of the company was increased from 4 million TL to 280 million TL[61], the growth rate is 7,000 percent, profitability increased by 18,500 percent! The year 1999 is taken as a starting point and all developments and growth rates are presented in comparison to this year. It is obvious that lots of things have changed in Konya Şeker since 1999.

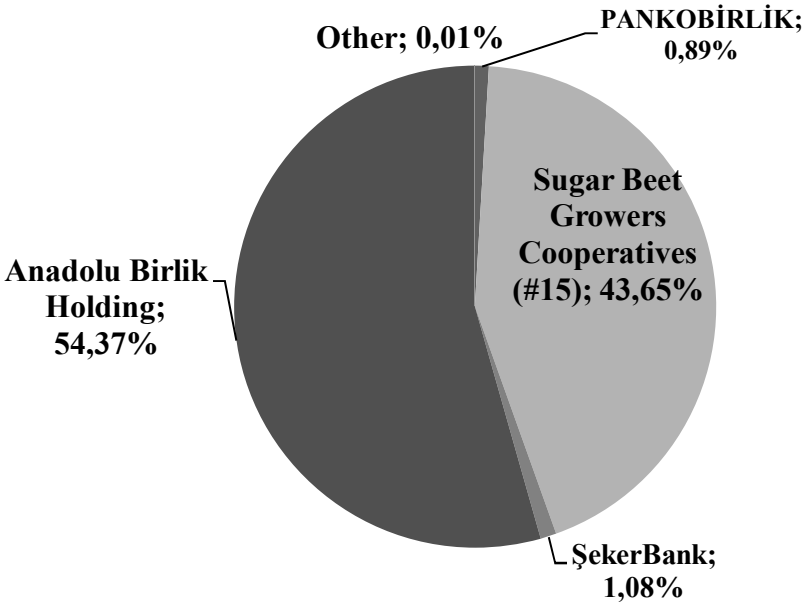
The most important change has occurred in the company's capital structure in the last decade. Konya Şeker was established in the 1950s as a private enterprise, but it could not succeed and was transferred to the state, to Türk Şeker Fabrikaları A.Ş. At the beginnings of the 1990s, this factory was privatized by the intervention of Pankobirlik (İslamoğlu et al., 2008). Since that time, Konya Şeker functions under the roof of Pankobirlik. In 2009, Konya Şeker as a joint-stock company became a conglomerate under the name of Anadolu Birlik Holding. Konuk himself evaluates this development as "our farmers have established a holding" ("Pankobirlik termik santral kuruyor", 2011). The speculation about the capital structure of Konya Şeker is that a convoluted structure was established to prevent the sale of this company to third parties. Anadolu Birlik Holding, 15 sugar beet growers' cooperatives,

[61] The capital of the company was announced to be 470 million TL in 2009.

Pankobirlik and ŞekerBank have shares in this company (see Figure 12). The convoluted capital structure derives from the fact that each of these entities has shares in a number of different companies playing a role in Turkish agriculture, e.g. both Konya Şeker and Pankobirlik are shareholders in Beta Ziraat (a private national seed company). In addition to the fact that such a convoluted structure makes things complex, there is no public information about the capital structure of Anadolu Birlik Holding, which is the largest shareholder in Konya Şeker (54.37%). My concern here was whether farmers have shares in Anadolu Birlik Holding and I could not find any information about this. We only know that farmers are the shareholders in Konya Şeker via their cooperatives. Considering the fact that Pankobirlik and other 15 beet growers' cooperatives have a total share in this company under 50%, it is hard to say that Konya Şeker belongs to cooperatives. Also, since Pankobirlik by itself has a small share in this company (0.89%), we cannot say that Konya Şeker is owned by Pankobirlik. In this regard, when we talk about the acts of Konya Şeker, we need to consider it as a private separate company. For example, the sugar factory established in the district of Çumra is directly an investment of Konya Şeker, not Pankobirlik. My question here is whether this private company can be considered as a cooperative, taking the convoluted capital structure of a conglomerate into account. When we consider cooperatives as a democratic and transparent model in which shareholders are supposed to reach detailed information about their own organizations, it is really hard to say that Konya Şeker functions as a cooperative. I mean that the convoluted structure makes things hard to be understood easily, and farmers reported that they do not have any idea about how the capital is distributed in Konya Şeker; they just told me that this company is a private organization and is owned by Pankobirlik. The inner details of the capital structure such as the proportion of farmers' shares in Anadolu Birlik Holding are not made public, and even the available public information on Konya Şeker, such as legal documents published in the *Official Gazette,* are presented in a complex way that make things

difficult to understand. The only information about this capital structure that is represented clearly is shown in the following chart.

Figure 10 **The capital structure of Konya Şeker**



Note. Adopted from Konya Şeker ("Sermaye yapısı", n.d.)

That farmers have shares in this company does not necessarily mean that they benefit from the stated high ratios of profits earned in the last eleven years. Farmers all acknowledged that they do not get any share from the annual profits and all the profits are shown as investments in new facilities. Çumra Şeker is an example of these investments. The activities of Konya Şeker are not limited to the sugar sector and extend from energy sector to research and development. Among those are seed production facilities, potato processing facilities, insurance business, drip irrigation equipment production and agro-diesel production. Recently, they announced that they started to build a thermal power station ("Pankobirlik termik santral kuruyor", 2011). Then, as Konuk (ibid.) reported, the initiatives of Konya Şeker are not only about the sugar sector, but it seems that this company is so decisive to grow in the energy sector.

Farmers seem to approve and be proud of these investments as *Konyalı*, but at the same time they are critical:

> They do not ask us whether we want these investments or not. Lots of money is spent and all comes out of our pockets. For example, the magazines published by Konya Şeker for advertisement are unnecessary in terms of the money spent. (Talha)

They expressed that all these investments do not work on their behalf. The most criticized investment is about animal husbandry, named as Calf Care Center [*Dana Kreşi*]. A number of farmers who used this center for their animals reported that they at the end left their animals there because of not being able to pay the costs for the care. Contrary to such critiques expressed by farmers, Recep Konuk argues that they make important investments so they develop the region (Halis, 2007). Also, Konuk expresses that Konya Şeker is socially and environmentally responsible; they try to keep villagers in their own places, they try to keep Anatolian culture alive, their plantation projects are environment friendly, so are their bio-fuel projects (Konuk, 2007c). I have doubts about for example whether bio-fuel production works on behalf of the future of agriculture. There exist critical approaches to bio-fuel production, which find the term agro-fuel more proper to show what is intended with the use agricultural lands for the energy sector: "the 'agro-fuel project' exacerbates the former [food] crisis in addressing the latter [climate] crisis, and intertwines them by deepening the 'metabolic rift' (separation of agriculture from its biological base). This interruption of natural cycles of regeneration of soil and water includes the dispossession of small-farming/fishing/grazing/forest cultures responsible for local ecological and social reproduction" (McMichael, 2009c, p. 243).

In sum, I argue that Konya Şeker needs to be considered as an amalgam embodying selected features of both a cooperative and a corporation. The convoluted capital structure of this conglomerate organization, the non-distribution of profits, and the lack of transparency

and democratic involvement in the management and production show us that Konya Şeker acts as a corporation. Yet, on the other hand, the path dependent clientelist relations such as in quota distribution among farmers and, the support to the farmers during the production process by the company as a welfare provider also show us the cooperative face of Konya Şeker. Next, I will turn to the analysis of beet production in Arıkören to open and deepen my discussion on what kind of a production model that Konya Şeker promotes.

4.2. Beet Cultivation under Contractual Relations

Sugar beets have always been cultivated under contractual relations. Its production first started as a relation between the farmers and the state. The contract known as blue paper (*mavi kağıt*) sets the conditions of production. When farmers sign it, they entered into a dependent relation. Akad (1987, p. 149) likens this to feudal relations in the medieval ages: in which amount and in which area the farmer cultivates beets, to whom he sells the product, and when he gets the money are all dependent on the company's discretion. Similarly, Aysu (interview, September 12, 2010) regarding the sugar sector in Turkey, he expressed that "when you signed the *blue paper*, you had no freedom as a farmer; you cannot say that I will not deliver the product. There were legal procedures that let the company to take the product by force, under the gaze of the gendarme." The terms of this contract were not public in the sense that farmers commit that they will not share the terms of the contract with a third party when they signed it, as Aysu reported.

A number of things clearly changed in beet production process after the new developments in the sugar sector since the 2000s. Yet the contractual form of production still exists although its terms have been amended in significant ways. For Konya region, it is no longer the state which determines the conditions of beet production. It is instead the company Konya Şeker itself that has been privatized under the lead of Pankobirlik. In other words, it is

no longer the state that goes to the fields with gendarme to take the products of farmers who did not meet the requirement of the contract, but it is the private company that has a control over all the production process. Aysu emphasizes the drawbacks of a state-led production in terms of the control mechanisms that contractual production created, but at the same time he criticizes the corporatization/privatization process in publicly-owned sugar factories: "When it was under state control, the state was watching the rights of farmers; at least from election to election, people were likely to question the state's policies." Although farmers in Arıkören support Aysu's argument by considering the state as a guarantor, they also say that "I praise *pancar dairesi* (Pankobirlik), but not the state." This consideration stems from current roles of the state and Pankobirlik in agriculture. While the sugar factory Konya increasingly supports beet producers via various mechanisms like making advance payments, the state increasingly rolls back from agricultural production processes by reducing subsidies and supports.

Farmers all acknowledge that they now produce for a private enterprise, but not for the state. Actually, farmers here directly *praise* Pankobirlik, not the contractor Konya Şeker. I mean that farmers appreciate the rollback of the state in beet production and the dominance of a private company because of the very perception that this company is organized as a cooperative structure, in which they have a share. The discourses of Pankobirlik also support farmers' perception about Konya Şeker. For example, during the recent privatization process of state-owned sugar factories, Pankobirlik, and particularly its chairman Recep Konuk, expressed that they were against the privatization of sugar factories in Turkey and that they supported a capital structure created from the bottom up in which farmers are shareholders. As I argued earlier, farmers do not have a say in the companies under Pankobirlik. In the previous section, I discussed it through the capital structure of Konya Şeker. Now, I want to further this discussion in qualitative terms on the basis of the beet production process itself.

I will build my discussion on three main points: (1) the conditions required to start production, (2) the process of production, and (3) sales process. I will argue that the overall process works at the expense of farmers: they increasingly become more dependent on the decisions and activities of Konya Şeker.

1. Who can produce beets? Why and how?

Beet production in Arıkören is differentiated from other crops basically in terms of the conditions to start production. A farmer who possesses the means of production (e.g. land and money) and labor that for example wheat or maize cultivation process requires cannot directly get involved in beet production. Rather than means of production, beet cultivation depends firstly on the possession of membership rights. To produce beets, the first condition is to be a member of the beets growers' cooperative and to have a quota.

Farmers in Arıkören reported that after Recep Konuk became chairman, Pankobirlik started not to accept new members and only the ones who were previously members could continue beet cultivation. The effort to put limitation to beet production in Turkey, which was reflected in the quota system by Sugar Law in 2001, may necessitate such exclusion. Farmers claimed that the required amount of beets is already produced by the present members and so Pankobirlik does not need new members:

> I have been farming since the 1990s. My father was not a member of the cooperative, so I could not become a part of the cooperative. (Anıl)

This farmer, who produces beets under the contracts of other people who have membership, was complaining about the fact that Pankobirlik does not accept new members. His statement also sheds light on an important point about the membership rights. There is a kind of hereditary system in cooperative membership. Farmers cannot sell or buy their contracts among themselves (if the buyer is not already a member); only it can be exchangeable among first degree relatives, i.e. among father, mother and children. For

example, if one's father is dead, one can get this membership. Yet, this is not automatically divided within the family; one needs to declare the death of the father and apply for membership, and there is a time limitation to do so. A farmer said:

> After my father's death, we siblings could not come together to make application for membership in a year. The cooperative rejected my demand to become a member on the grounds that a year had passed after my father's death… They killed the contract after my father's death. (Orkun)

Contract cancellation does not only occur in the case of death. Farmers who cannot grow the contracted amount lose their quotas. The contract is not totally abolished in this situation, yet the amount of quota is diminished as a penalty and in the end it is possible for it to be totally abolished.

Along the membership, the quota system is another significant component to start beet production. Farmers can produce according to the amount of quota they possess. How the quotas are distributed among beets growers is important. This distribution is not done in a systematic way or in a way that would be expected under market competition: i.e., a farmer who works hard or who has a membership in the cooperative for long years does not necessarily get a higher amount of quota. Rather, the distribution of quotas changes each year among the members and the way it is done seems to be an arbitrary one. When I asked the farmers how these quotas are determined, they said that politics played a role:

> The chairman [Recep Konuk] is from *X* village and the farmers there have higher quotas than I do even though I have been cultivating beets for a longer time than them. (Tahir)

Additionally, farmers reported that political party affiliation also played a role in quota distribution:

> When two men arrive at the cooperative and ask for an increase in their quotas, the MHP member is more likely to get more than the AKP member. (Mahmut)

These are the farmers' own assessments. When I conducted the interviews, Recep Konuk had not yet become a member of the AKP. Things may change in the following years considering his current affiliation with AKP. Regardless of these kinds of assessments and speculations, the point is that political favoritism is likely to exist in the quota distribution process since there is no transparency about how the quota system works.

Further, the contract that determines under which conditions farmers cultivate is not open to public. Farmers also reported that they sign the contract without reading it:

> We just sign it, there is not such a thing like bargaining; what they ask from us and what they provide us, we accept all these. (Tahir)

The terms of the contract do not seem to be a matter for the farmers: all farmers acknowledged that reading the contract does not change anything:

> The highest income generating activity here is beet production and in any case, I will produce beets. So, what is written in the contract is not so important for me. (Sezgin)

It is not only the farmers who have contracts and quotas produce beets. Farmers in Arıkören who do not have the required contract also cultivate beets by employing different strategies. They produce under the name of other people who do not or cannot cultivate beets. In exchange for the use of rights of his/her contract, the contract owner gets a sack of sugar. Farmers reported that currently, the market value of the contract is determined by tonnage, by the amount of the end product (a sack of sugar for 30-50 tons). Although farmers are involved in this process of producing under another person's contract, they also find it risky. In the sense that a number of farmers reported that they are not so willing to produce under someone else's name since they do not know whether this person is indebted. For example, if one is indebted to the Agricultural Credit Cooperative, his/her debt would be deducted from the

value of his/her beets. Nevertheless, farmers use this method to be able to produce beets which is considered currently as the most profitable crop.

There is a speculation that the cooperative tries to abolish such a strategic way of producing under someone else's contract in order to increase the control over sugar beet production. A farmer said:

> Now you cannot sign under the name of another person, they will check whether this signature belongs to that person. (Caner)

All in all, my research findings show that although beet production has increased in the province of Konya in the recent years, this increase has been maintained in a controlled and limited way. The contractual production itself puts quota limitation and by this, it determines who can produce beets and in what amount. The role of the contractor sugar factory as a controller continues throughout the production process as follows.

2. Sugar Beet Production Process

Beet production is not a labor intensive process; rather mechanization has prepared the ground for its extensive production. Farmers reported that they started cultivating beets extensively in the mid-1990s:

> Before, the tonnage was not like today. New equipments have developed, tractors became bigger, sprinkler irrigation was introduced… so the yield increased by considerable amount from 12-13 tons to 20-22 tons per 1 *dönüm* land. (Tolga)

By the use of machines from planting seeds to harvesting, beet production has become both intensive and extensive. Yet, this does not necessarily exclude the importance of labor use during the production process. For hoeing, farmers in general hire seasonal agricultural workers. The other labor-related works in the field are done mostly by households themselves. In the sense that farmers expressed that "our labor is our profit." They consider that the most labor they hire during the production process, the less profit they receive. This is a

considerable amount and that's why most of the farmers try to use household labor as far as they can in order to diminish labor costs.

In addition to labor, land and equipment, the other inputs are water, diesel oil, seeds, fertilizers and pesticide. The contractor Çumra Şeker provides these inputs. After a farmer signs the contract, he does not need to pay anything out of his pocket during the production process until he sells the product. When he delivers the product to the factory, all these expenses are deducted from the value of beets. In this regard, Çumra Şeker applies VAT and also a late fee. For example, Çumra Şeker provides diesel oil tickets and changes not on the basis of the price of the day that the farmer got the oil, but the price at the time of the deduction. Additionally, seed, fertilizers and pesticide can be directly supplied by the factory. A farmer said:

> There [in Çumra Şeker] it is like in an exchange market. There is a panel that shows the changing prices of inputs… it is not important at what price you received your input, the price of the input at the day when you sell beets is applied and deduction is done on the basis of this price. (Tahir)

Beside these inputs, Çumra Şeker provides advance payments to beet growers two or three times a year. These payments are not directly related to the beet production process, but farmers meet for example, their children's education expenses by these payments. Farmers can also receive their basic necessities like cheese and coal from the factory:

> They bring your cheese, butter, yoghurt to your door… Also, for example, if I want to go on pilgrimage, they give me credit for it. You do not spend anything out of your pocket. All are subtracted from the value of beets. (Tolga)

In addition to such expenses, the company also supplies technical equipment like water pipes. It is important here to note that a great number of supplied goods like cheese and butter and technical equipment are the products of the companies in which Çumra Şeker has a

share. In sum, Çumra Şeker supports its producers beyond the production process itself as a welfare provider.

These kinds of supports and loans are considered as the entitlements of farmers that the contractual relation provides. Farmers pay back all these expenses when they sell their product. The most appreciated part of this contractual relation is the advance payments and supply of basic goods or technical equipment, which farmers consider as a support. Yet, when the issue comes to interest rates and late fees applied to inputs, farmers compare this process with usury although some acknowledged that the interest rate was below the market rates:

> This factory [Çumra Şeker] makes money on our shoulders. They add interest when we pay back for what we received from them. It works as a usurer… People here all know it but they pretend to approve the established relation with these guys. Since, they at the end think that without beet production, it is really hard to earn money. (Mahmut)

When I asked the farmers about the interest rates and late fees, they complained about the fact that they do not know what deductions are made from the value of beets. Yet, they all added that "if *pancar* (the sugar factory) did not exist here, we would have been already dead." The supportive side of beet production process seems to be successful in terms of keeping farmers silent about the fact that Çumra Şeker grows upon their shoulders in an exploitative way. The contractual relation between beet growers and Çumra Şeker is like a Pandora's Box: when it is opened we can easily see that beet growers are not only dependent on this company in terms of the production itself, e.g., through ties of credit; but also their livelihoods are increasingly dependent on the fate of this contractual relation.

From planting seeds to the processing of beets all steps that the growers take are controlled. Seed planting is done using specific equipment (*havalı mikser*) and only four or five people in the village have this equipment. These people work for Çumra Şeker and plant

seeds in beet growers' lands in a controlled way. One of my respondents who had this equipment explained the process:

> The company [Çumra Şeker] issues a tender. I won the tender and started to do this business to have an extra income. I go to fields and plant beet seeds. The farmer for whom I plant seeds writes a statement. He does not pay anything directly to me and I get my money from the company by submitting this statement to the company. (Tamer)

This farmer works as a subcontractor for Çumra Şeker. Farmers cannot plant seeds by themselves; rather the company controls this process: the company lets 4-5 people in the village to plant seeds, pays them in return for their work, and beet growers do not pay anything to these people; the value of planting seeds is deducted from the value of beets delivered to the company. In this process, the company determines the terms of the relation established between farmers themselves, between beet growers and the ones who plant seeds. In this regard, farmers become subordinated to the company as it controls the very exchange between farmers themselves.

Additionally, during beet production process, Çumra Şeker works with "guards" (çavuşlar) who are not from the village who have necessary technical knowledge. Farmers reported that these people control everything that they do during beet production like checking whether the density of planted seeds is right, whether the grower irrigates promptly or whether hoeing is done properly:

> These people [guards] control everything we do. They regularly visit our lands, take notes and report them back to the factory [Çumra Şeker]. If we do something wrong, they warn us to do it right… You need to make things work in a way they asked for. Otherwise, your contract would probably be abolished. (Mustafa)

Contractual beet production under such a controlled way is promoted as an institutional innovation to improve agricultural performance (Rehber 2000). On the one hand, some farmers in Arıkören seem to support the control on their own labor processes by considering that this works on their behalf and helps them increase the yield. When I asked them whether they feel any kind of loss of independence due to these controls, it seems that they still perceive themselves as independent to an extent under this contractual relation. I think that their perception of themselves as independent here mostly derives from the fact that beet growers have shares in the company. This appears to be so especially when we compare this production process with other forms of contractual relations established with different actors, like Syngenta and Monsanto in sunflower seeds production.

Yet, on the other hand, the surveillance and control of beet production under the gaze of the guards raise a question concerning different forms of labor. In this case of beet production, I argue that the contract transforms independent farmers into a sort of "bonded laborers" by dissolving their independency and the contractual relation itself subordinates growers to buyers (Watts, 1994a). Farmers' acknowledgement of the loss of independency became more visible during our conversations about beet sales. A farmer said:

> You cannot say that you will not sell. You signed a contract and have to deliver your product to the company. We have no other choice like keeping beets in a warehouse; we are all dependent on these guys. (Tahir)

3. *Beet Sales*

An analysis of beet sales also sheds light on the above discussed points related to the power relation between growers and Çumra Şeker. I will examine how the value of beets is determined. This value is determined by the company according to the quota that a farmer possesses, the quality of the product and the amount of solid waste, and this process is not transparent.

Çumra Şeker operates 24 hours and makes purchases both day and night during the harvest period, which was not the case previously when farmers sold beets to Konya Şeker in a specific time of the day. Farmers reported that they usually do not harvest beets before September 15 to allow beets enough time to grow although the factory provides premiums to those who deliver beets before that time. The shipping charge is also paid by the company. All these show that for beet growers in Arıkören, there is no uncertainty about selling their product. The purchaser is there and ready to buy beets, even at night. Yet this does not necessarily mean that each step in the sale process is transparent and certain, except natural/environmental conditions. Farmers do not know for example what would be the soil waste ratio, how the quality of the product is measured, how the subtractions are done for the previous loans and advance payments, among others. Let me open up these points through the examination of the sale process as follows.

Production quota is the foremost factor that determines the value of beets. There are three types of quotas, namely A, B and C, as stated in the Sugar Law (2001). Farmers sell their products under quota A that is distributed among sugar factories and then among farmers. Quotas B and C constitute the amount of beets produced over the quota A. This system allows farmers to sell beets that exceed their quota. Farmers reported that they sold their products according to their own quotas and if the amount was in excess of this quota, the factory bought only 10% more of the assigned quota: "For example, I have a quota of 180 tons and if I produce 220 tons, the factory only gets 18 tons of it." Then, what a farmer earns from the production first depends on the quota he has.

Aysu (interview, September 12, 2010) claims that this quota system itself makes farmers act as merchants. Beet growers in Arıkören reported that they sold their surplus above the quota under another beet producer's name. A farmer stated:

> Last year I sold my tonnage surplus under Ali's contract. He did not even cultivate beets. We shared the money half and half… This is good for him, he does not touch on anything and earns because of having a contract. He prefers to do so; otherwise he would lose his tonnage. I may not earn a lot, but at least I do not need to throw away [what I produced in excess of my quota]. I just got a little amount of money [*3-5 kuruş*]. (Serdar)

Many farmers were involved in this process because of quota limitation. Even a farmer who has a contract but does not produce beets can get a share from beets sale by trading his contract. The value of beets certainly decreases for the farmer who is directly involved in the production process by giving a share to the contract owner. Such mercantile relations among farmers do not seem to be monitored by the company. This kind of a lack of control lets farmers establish an exchange relation among themselves; but the creation of this space for farmers to trade does not work on the in behalf, rather it diminishes the value of beets.

The lack of control in the above case disappears and leaves its place to a high-level control when beet growers are involved in a direct relation with the processor company at the time of determining the product quality and soil waste, and so estimating a price for beets. Farmers reported that the product quality is specified according to the polar level of beets; the polar shows the level of sugar content in beets, and the value of beets increases as the polar level increases. It is simply that higher polar means higher price (not directly an arithmetical increase). According to farmers, the polar system in the measurement of the quality of beets started to be applied several years ago:

> Before that, the state would declare the price and growers sold their products on the basis of this price. Now the machines determine the polar and so the price of beets. (Serdar)

Clearly, the quality of product has always been important for the company. Yet, as my respondents reported, the value of beets has now become more dependent on the quality standards, which create significant difference on what growers earn from sales. In this regard, the polar system is an important controlling mechanism and pushes farmers to produce high-quality beets. To do so, farmers expressed that they irrigate more, use high-quality seeds and more fertilizer than before. I think that this reflects the circular relation between increasing production costs and the efforts made by farmers to increase the yield.

In addition to the polar system, another component of beet sales process is waste soil deductions. When farmers harvest beets and deliver these to the company, certain amount of soil goes with beets. The processor considers this soil as waste and determines the value of beets after deducting soil waste. Farmers reported that there was a standard soil waste ratio, which was 7%, previously. Now, this ratio is measured through the samples received from different parts of the tractor by which farmers deliver beets, and this ratio could increase up to 90%. Farmers were critical of the soil waste deductions measured by machines and stated that they cannot argue against the ratio that machines determine: "I do not have a say on the measurement of soil waste. What the computer says is all accepted." Farmers also told me the story of a German visitor to the factory. According to the story, this woman said that "if you continue to subtract soil waste at this ratio, you will build a new factory like this in three years." After telling this story, a farmer stated that "everything is profit in this factory. If it gives even 17% soil waste for my beets that would make 80 tons according to my quota and this means a loss of 8 billion. If 10,000 farmers deliver beets to the factory…, you can calculate the profit by yourself." After this statement, during our conversation, I hesitated for a moment to make the calculation. The numbers given by the farmer may be an exaggeration, but after analyzing the other interviews, I realized that the factory really makes a considerable

amount of profit from soil waste deductions. I also asked farmers about what happened to the waste soil. They reported that the soil is not completely waste:

> The factory does not give back the soil after putting beets away. These soils are fertilized and so valuable… The factory sells it or uses in its own greenhouses where they produce vegetables and fruits. (Talha)

During my visit to the factory, I also realized that like soil, nothing seems to be wasted within sugar production process. One of the staff members accompanied me while I was going around and explained with great enthusiasm how everything is made use of in the factory. He gave me some technical information about sugar and agro-fuel processing. For example, hot water discharged during sugar production is circulated within the factory and is used for the greenhouse, and beet pulp is used as an input for bio-ethanol (agro-fuel) production. This shows us that Çumra Şeker is not a factory that produces only sugar and sugar-related products. Especially, this factory's recent investment in agro-fuel production is likely to increase the importance of beet in this region. Despite the uncertainties in beet sales discussed above, farmers seem to be content in the end and do not question the process itself a lot: "When they make the payment, we thank them and go our own way…"

5. Conclusion

The neoliberalization of Turkish agriculture since the 2000s has deteriorated the general economic situation of Arıkören farmers. The market structure that has emerged in that period also prepared the ground for the rise of agribusiness in this locality as well as increasing beet production. That beet production has become an important income-generating activity and that the economic situation of farmers has deteriorated in general seem to contradict each other. Yet, these developments are not mutually exclusive, and need to be considered as the results of neoliberal agricultural policies, as in the following.

First, my research findings show that the neoliberal agrifood regime has deepened market relations in Arıkören through the commodification of inputs from seeds to knowledge. Almost all farmers I interviewed were indebted and had difficulty in meeting input costs as well as continuing farming in the current economic situation in which market uncertainties have increased and the state has rolled back its subsidization of agriculture. They describe their situation as being in a game: farming has turned into a form of gambling and they struggle to stay in this game. They cannot rely on their social ties since the market logic has penetrated into social relations. Rather, villagers are forced to become self-managed and disciplined individuals and have been turned into choosers and risk-bearers. Although they are forced to be so, their agency in this gambling game cannot be disregarded. Farmers are calculative agents and they develop various strategies to continue producing. Farmers believe that "their labor is their profit" and this results in the exploitation of household labor.

My fieldwork also indicates the rise of agribusiness under neoliberal policies in agriculture. Konya Şeker, operating under Pankobirlik, has become a predominant player in beet production in the last decade. The rise of this company as an agri-business has been embodied with the establishment of Turkey's most modern sugar factory in the district of Çumra. Through the examination of beet production in Arıkören, I found that the cooperative structure of the company has played a role in the increasing power of Konya Şeker. In the sense that the existing cooperative structure has prepared the ground for Konya Şeker to get necessary amount of beets through contractual relations by which the company has been enabled to control and direct the production process as it wishes. The case of Konya Şeker and Pankobirlik is not at all a democratic cooperative model by which farmers as members are involved in decision-making or have a say during the production process. Rather, my research findings show that Konya Şeker has increased its power on the shoulders of farmers while subordinating them to contractual relations through ties of credit and debt. This subordination

seems to go beyond beet production and extends to everyday life. In other words, the power of Konya Şeker is not limited to beet production, but also, the fields in Arıkören come under the control of Konya Şeker. For example, the company uses lands for growing canola or as research areas for seed and crop development.

Farmers acknowledged that if they do not produce beets, it is really hard for them to continue farming at all. The contractual form of beet production allows farmers to stay in the village: farmers benefit from contract farming for example, by receiving necessary inputs from the buyer without paying anything out of their pocket, and they most importantly benefit from advance payments and supply of basic necessities provided by the company. In this regard, the contractual relation farmers established with the company extends beyond contract farming and such that the company acts as a welfare provider. Such a role of Konya Şeker in beet production needs to be considered as a part of a cooperative model that seeks to support its members by providing the necessary environment for them to continue producing. Yet, these supports are not provided in a democratic way. For example, clientelism plays a role in the quota distribution among the farmers, and the subtraction of advance payments from the value of beets that were deposited to the processor is not transparent. This shows us path-dependent clientelist relations in a cooperative structure as well as how a cooperative also acts as a corporation. The non-involvement of farmers in decision-making processes, the application of quality standards in an uncertain way, the current form of member recruitment to the cooperative body all show us the corporate face of Konya Şeker, which increases its profits to a great extent by excluding farmers from the organization. Such an amalgam structure leads us to question to what extent the contractual beet production will continue to be a way for farmers to continue farming. My research findings suggest that the market structure created by Konya Şeker may not help farmers continue farming on the long run, considering their increasing subordination to this relation. I asked farmers whether they want

their children to stay in the village; many responded that they were struggling to have their children get a good education and look for work outside the village.

CONCLUSION

In this thesis, I have studied neoliberal transformations in Turkish agriculture through the case of sugar beet production. My discussion was threefold. First, I explored neoliberal transformations in agriculture from the corporate food regime perspective. This led me to approach changes in agricultural relations on the basis of deepening commodification and corporatization processes in Turkish agriculture in the last decade. By the opening of new realms in agriculture to capital through marketization processes, rural communities in Turkey have been exposed to precarious market structures full of uncertainties and risks. In this economic environment, according to farmers' own assessment, I argue that farming has turned into a form of gambling. Second, through fieldwork in the Arıkören village, I examined farmers' production and marketing decisions and economic activities to understand the way they were integrated into commodity markets. I framed markets as socio-technical constructs and approached farmers as calculative bodies playing a role in the construction and functioning of these markets. I argue that in this game of gambling, farmers constantly make calculations and develop various strategies to continue producing. They are induced to be self-managed individuals and risk-bearers under a precarious market structure. Third, in Arıkören, I observed that sugar beet production emerged as an economic activity to strengthen the hands of farmers in this game thanks to the benefits and certainties of contractual relations established between a sugar factory organized as a cooperative and beet growers. Accordingly, I argue that beet production is a mechanism that keeps farmers in the village, and allows them to continue engaging in agriculture. Yet, to what extent these contractual relations would continue to protect farmers from the precariousness of agricultural production is open to question.

1. Summary of Research Findings

Arıkören village took its share of the neoliberal reconstruction of the agrifood sector in Turkey. Significant reforms were undertaken in this sector, especially after Turkey signed the Agreement on Agriculture (AoA) of the World Trade Organization (WTO) in 1995, which diminished state control in agriculture and opened Turkish agriculture to world markets. Since the 2000s, under the Justice and Development Party (AKP) rule, these reforms have been fortified by the enactment of many laws that concern many issues in the agrifood sector from the functioning of cooperatives to the tobacco and sugar sectors. The transition to market ascendancy in the last decade has resulted in a decreasing share of agriculture in the Turkish economy, deepening commodification and creation of new markets, privatization of previously public assets, the rise of agribusiness and emergence of new forms of production (e.g. contract farming), and a change in product patterns. These structural changes have affected geographical regions and the crops cultivated differently.

Arıkören has already been integrated to a number of markets by producing cash crops (e.g. wheat and sugar beet) through petty commodity production. In the last decade, new cash crops such as maize and sunflower seeds entered into the product pattern in line with the changes in the state support system. By producing maize, farmers started to establish new market relations with various actors such as seed dealers and transnational corporations (TNCs). They got involved in international/transnational markets especially by buying seeds for maize. In selling maize, producers expressed their feeling of dependency on the merchants who are the only ones determining the price for maize. Cargill, a transnational company that produces starch-based sugar, made maize purchase occasionally in the village.

Transnationalization of agricultural production became more visible during my interviews with sunflower seed producers. In the wake of the introduction of sunflower seeds

into the product pattern, a new type of contractual relation between transnational companies (Monsanto and Syngenta) and farmers was established. The production of this crop was limited compared to maize, wheat and sugar beets. This contract farming was perceived by farmers as a way out to cope with the current market uncertainties in agriculture (e.g. with predetermined purchasers) despite its risky nature and farmers' feeling of losing control in the production process.

Farmers also expressed their feeling of dependency on merchants in selling wheat. In recent years, the state's role as the primary buyer has declined and been replaced by merchants. The dysfunctionality of the state-owned institution Soil Products Office (*Toprak Mahsulleri Ofisi*) which makes purchases was a significant issue, and farmers complained about low prices offered for wheat by the merchants, or given by the state. Additionally, for wheat seeds which can be reproducible in contrast to maize seeds, the state promotes the use of certified seeds and gives support to those farmers who use these seeds. Farmers still exchanged wheat seeds among themselves, but they mostly preferred to buy each year a new pack of certified seeds in order to increase the yield.

The examination of market relations according to the above-mentioned three crops informed my study in terms of how the state increasingly washed its hands off from agricultural activities, inputs like seeds and fertilizers became further commodified, and farmers' reliance on markets increased. Farmers reported that under the current market conditions, farming turned into a form of gambling. Farmers gamble in an environment in which agricultural activity is risky business as a result of the uncertainties derived not only from natural causes (e.g. drought), but also from the very market conditions in agriculture. In this market structure, it was really hard for them to continue producing. At this point, sugar beet production supported farmers, permitting the rural community to stay in the village.

Beet production under contractual relations seemed to strengthen the hands of farmers in Arıkören in the game of gambling thanks to its benefits. Konya Şeker (Konya Sugar) under the roof of Pankobirlik (the Union of Beet Growers' Cooperatives) controls beet production in this locality. This company increased its power in the last decade as a result of the deregulations in the sugar sector. The Sugar Law (2001) diminished the role of the state in sugar beet production and prioritized private sugar factories that became able to direct beet production without the state's involvement. The introduction of a quota system by the Sugar Law also prioritized some power holders, among which Konya Şeker appeared as an outstanding actor. These neoliberal transformations resulted in increasing beet production in the province of Konya that corresponds to 25% of Turkey's total produce. The contractual form of beet production also evolved into a new relation between the growers and the processor: the terms of the contract provided various advantages to the growers but at the same time subordinated them through ties of credit and debt. My research findings show that Konya Şeker, without any support from the state, shapes not only beet production, but the overall agricultural market structure in the Arıkören village.

The economic situation of farmers has deteriorated in the last decade. Some of the reasons stated by farmers were the increase in input prices, decrease in crop prices, and environmental issues such as drought and soil salinization. To be able to continue producing, they constantly make calculations and employ various strategies, such as product alternation, engaging in contract farming, producing and selling beets under someone else's contract, the use of household labor, and doing additional jobs other than farming. Among these, the consideration that "our labor is our profit" was prevalent during my interviews with the farmers who previously did not have any difficulty in labor hiring. This also led me to understand how the market logic crystallized in society. Farmers were forced to be efficient and competitive and seemed to internalize that being self-managed and disciplined individuals

would bring an improvement in their economic situation. They were also aware of the riskiness of agricultural activities; but at the same time they expressed that they are ready to take the risks; after all, farming is a gambling.

In this game, beet production was the highest income-generating activity in Arıkören. Farmers reported that had there been no regulation on beet cultivation, they would not have produced other cash crops. Producing according to the quota system in specific areas determined by the factory sets limits on farmers who cannot produce beet as they wish. Farmers developed various strategies to overcome such limitations such as cultivating under someone else's contract due to the advantages of beet production. Farmers who were indebted benefited from this contractual relation that provides inputs, advance payments, credit and basic necessities without being obliged to pay money out of their pocket during the production process. Yet, they also expressed their discontent regarding contract farming.

In the beet production process, each step from planting seeds to harvesting was under the gaze of the sugar factory. In such a controlled beet production process, farmers expressed their feeling of dependency on the decisions of the processor. They also complained about the lack of transparency in sales, quota distribution among farmers, and in terms of how the deduction of credit payments, inputs and other supplies provided by the factory were made from the sale revenue. All the expenses that the processor made during the production process for farmers were subtracted from the value of beets when farmers delivered their products to the factory. The value of beets was determined by the factory and during sales; farmers did not seem to have any bargaining power. In addition to the fact that farmers become subordinated to the sugar factory through ties of credit and debt, they did not seem to have a say in decision making processes in the sugar factory in which they have a share contrary to what might be expected in a cooperative structure.

All in all, despite the problems in beet production regarding the issues of control and democracy, farmers were still willing to continue producing beets within the current structure of beet production. Taking the existence of alternative crops into account, it would seem that farmers had options to choose which crop to cultivate. Yet, they were more likely to be involved in beet cultivation and decided to do so by making calculations: they earned from beets more than other crops, which were considered as risky due to low prices or having difficulty in meeting input costs. The precariousness of the market relations in wheat, maize and sunflower seed production also prepared the ground for increasing beet production in Arıkören. Accordingly, farmers become increasingly subordinated to the sugar company and this makes farmers follow the market signals of the company and ready to enter into new form of contractual relations with it. Through the construction of new markets, for example, for agro-fuel production, the importance of beets for the livelihoods of farmers would probably increase in this locality, so would the dependency of farmers on agribusiness.

2. Contribution to the Literature

Through a case study of beet production in a Turkish village, I wanted to tell the narrative of agrarian change in Turkey since the 2000s from the vantage point of agricultural producers. Accordingly, I intended to contribute to rural studies in Turkey through a critical conversation with the theoretical discussions on the Agrarian Question (AQ), the corporate food regime, and social studies of commodity markets.

My fieldwork findings show that depeasantization is not the issue in Arıkören village where family-farming is still the dominant form of production. Yet, my exploration of beet production under contractual relations shows that these family farms increasingly become under the control of an agribusiness company, Konya Şeker. This observation contributes to the literature on the Agrarian Question by suggesting going beyond the question of the fate of

the peasantry and digging into the question by whom and how the means of production are controlled. This is in line with McMichael's (2009b) proposition to approach the AQ from the perspective of agrarian subjects. The existence of family farms as petty commodity producers who possess the means of production would negate the dissolution of the peasantry thesis. Yet, when we analyze the way in which the means of production are controlled, we can understand how the AQ crystallizes in new ways.

The discussion on corporate food regime shows how corporate power in the world food system is institutionalized and sets barriers in front of an alternative agriculture (McMichael, 2009a). In this study, my goal was to research whether cooperatives, as suggested by İslamoğlu et al.'s (2008), are an alternative to neoliberal agricultural relations. My research findings support McMichael's (2009a) consideration that the corporate food regime prevents the emergence of alternative agriculture. I found out a new structure that is embodied in Konya Şeker, which is neither a cooperative nor a corporation, but an amalgam structure that contains features of both cooperatives and corporations. The legitimization of the corporate food regime is not only maintained only by laws, but also by contractual production. In this regard, my study of the transformation and the current character of the contractual relations in beet production also showed how the corporate food regime would be legitimized under a cooperative roof. I suggest that the cooperative model can accelerate the deepening of neoliberal relations in agriculture, rather than providing an alternative. For instance, the previously established contractual relation lays the ground for legitimizing the corporate food regime such as by bringing new standards (e.g. quota-based production and product quality).

Additionally, my examination of contract farming shows that contractual production in Arıkören is not in the form of a dynamic partnership. Although contract farming offers many benefits for growers -including access to new markets, technical assistance, specialized

inputs, and financial resources which otherwise would be out of reach (Runsten & Key, 1999, p. 396), my research findings support Singh's (2002) argument that farmers have little bargaining power compared to companies. As the case of beet production clearly showed, the contract seems to dissolve the autonomy of farmers and subordinate growers to buyers, especially through ties of credit and debt (Watts, 1994, p. 66).

This study's contribution to corporate food regime emerges through its examination of the way the market logic crystallizes in a community. Social studies of markets provided me the conceptual tools to explore how farmers play a role in the constitution and functioning of commodity markets. The findings of my research support the consideration that markets are socio-technical constructs in which farmers have agency as calculative bodies (Callon, 1998). At this point, I suggested to explore how new subjectivities have been created in rural communities following the expansion of neoliberal markets (Elyachar, 2005). Following farmers' own assessment that farming has turned into a form of gambling, I studied under which conditions farmers make calculations and how that affected their subjectivity. The precariousness of market conditions did seem to make farmers risk-bearers, as Dunn (2004) suggests, and pushed farmers to develop various strategies to continue farming. In order to decrease the risk of losing in the game and increase efficiency and yield, I found that farmers give importance to be self-managed individuals according to market principles of discipline and competitiveness (Ong, 2006). This line of research, taking farmers' agency in production processes into account, has yet to be sufficiently developed in rural studies on Turkey.

My study contributes to the discussions on neoliberal transformations in Turkish agriculture with a village-based analysis of a specific commodity, sugar beets. Examining the changes in beet cultivation within the context of agrarian change in a particular locality helped me interpret macro-level structural changes at the micro- and meso- levels. Rather than taking the consideration that beet production decreased in Turkey (e.g. Aysu 2008) in

the last decade for granted, in this study, I suggested to look at differences in geographical regions and to examine why beet cultivation followed a different trend in Konya province. To do so, from a micro-level perspective, I first followed actors and studied mainly changes in the lives of farmers and in a cooperative factory Konya Şeker that controls the overall beet production in Konya. I then provided a meso-level analysis and explored the contractual relations between beet growers and this factory. Focusing on the actors and relations among themselves as a methodological choice does not appear in rural studies in Turkey sufficiently (but also, see: İslamoğlu et. al., 2008; Kayaalp, 2009). Such an analysis helps us see the internal dynamics of the neoliberal regime from the vantage point of farmers.

In addition to the methodological strength of my study, the case of sugar beet production in Konya makes an important contribution to the scholarly discussion on agrarian change in Turkey. This issue has yet to be critically studied on the basis of transformations in the cooperative sector. This study still carries a number of limitations, which provide suggestions for further research.

3. Further Research

I studied sugar beet production in the Arıkören village with a focus on the contractual relations between Konya Şeker and beet growers, and specific set of rules that regulate these relations. Yet, the marketization process in beet production and circulation includes more than these actors and regulations. For example, I was not able to sufficiently look at the price-making processes that determine the value of beets. This surely necessitates another study that explores how global sugar markets affect beet prices in Turkey. I also did not follow the actors who produce and sell beet seeds. This would probably tell us more about the transnationalization of the beet cultivation process considering the fact that beet seeds are produced by transnational/international companies. Lack of such analyses prevented my study

from providing a comprehensive map of beet production and circulation. Clearly, it is not possible to develop an ambitious project that seeks to include all the factors affecting beet markets, but tracing the global links in these markets is an important issue to be further researched using ethnographic methods.

Additionally, this study lacks a comparative perspective. I only studied the case of Konya in terms of understanding the increase in beet production in some geographical regions. I did not look at other provinces where Pankobirlik has sugar factories (e.g. in the province of Kayseri). The similarities/differences among these sugar factories would provide us more information about Konya Şeker as an outstanding agribusiness firm independent of its cooperative structure.

The findings of this research indicating an amalgam structure embodying features of both cooperative and corporation is limited to the case of Konya Şeker. Different crops that are produced under contractual relations within cooperative structures should be studied in order to understand transformations in Turkey's cooperative sector more comprehensively.

More importantly, this study lacks gender dimension. Although these are mostly men who directly engage in beet production processes, I acknowledged the importance of gender-based analysis in terms of understanding specifically property relations and labor use. Female farmers were also members of Pankobirlik, but they were not involved in the cultivation process. Yet, their contracts/lands were used by men, most of the time in a non-commodity form; they employed their labor on occasion, for example, during the irrigation process. The involvement of women in the production process needs to be further observed and studied.

All in all, despite the limitations of my study, this thesis provides a map of agrarian change in a Turkish village with a focus on increasing beet cultivation under contractual relations within a cooperative structure. It shows that the precarious market structure under the neoliberal regime transforms farming into a form of gambling; that is the game in which

farmers struggle to “stay above the sieve,” and a national agribusiness increases its power on the shoulders of these farmers.

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APPENDIX 1: INTERVIEW QUESTIONS

1) Demografik sorular:
- Hanede kaç kişi yaşıyor?
- Aylık geliriniz nedir?
- Eğitim durumunuz nedir?
- Sağlık güvenceniz var mı?

2) Toplam ne kadar toprak işliyorsunuz?
- Son yıllarda toprak alım-satımı yaptınız mı?
- İcar yapıyor musunuz? Son yıllarda icar fiyatlarında değişiklik var mı? Neden?

3) Son yıllarda toprak dışında bir yatırım yaptınız mı? Toprak dışı bir varlık sattınız mı?

4) Borçluluk durumunuz nedir?
- Kime/nereye borçlusunuz?
- Borçlarınızı düzenli ödeyebiliyor musunuz? Neden?

5) Hayvancılık yapıyor musunuz?
- Kimler çalışıyor?
- Haneye ne gibi katkısı var?
- Dana Kreşi'ne ineğinizi verdiniz mi? Vermeyi düşünüyor musunuz? Neden?

6) Tarım ve hayvancılık dışı bir geliriniz var mı?
- Nedir? Kimler çalışıyor?
- Haneye ne gibi katkısı var?

7) Son yıllarda ekonomik durumunuzda değişiklik oldu mu? Nasıl?

8) Hangi destekleri/primleri alıyorsunuz?
- Ürün bazında destek almak daha mı avantajlı?

9) Kooperatif/birlik üyeliğiniz var mı?
- Üretim girdi ve araçları için katkı sağlıyor mu bu üyelikler?
- Ürünlerinizi bu kooperatiflere daha yüksek fiyata satabiliyor musunuz?

10) Hangi ürünleri ekiyorsunuz?
- Ağırlıklı olarak ne ekiliyor? Neden?

11) Sözleşmeli üretim yapıyor musunuz?
- Hangi üründe? Kimle? Kaç yıldır?

12) Şeker pancarı:
- Ne zamandan beri ekiyorsunuz? Nasıl başladınız?
- Bu sene ne kadar ektiniz? Ektiğiniz miktarda değişiklik oluyor mu her sene? Neden?
- Kime satıyorsunuz?
- En son en kadara sattınız? Hangi dönemde sattınız?
- Fiyatları sürekli değişiyor mu? Neden? Etkisi?
- Şeker pancarından kar ediyor musunuz?
- Verimi nasıl? Değişim var mı? Verimi ne etkiliyor? Neden?
- Pancar tohumunu nerden alıyorsunuz? Fiyatları nasıl? Değişiklik var mı?
- Hangi marka pancar tohumu kullanıyorsunuz? Bu tohumu diğer ekimde kullanmak mümkün mü? Neden? Neden bu markayı tercih ediyorsunuz?
- Pankobirlikten tohum almanın avantaj/dezavantajları?
- Son yıllarda pancar üretimi için kullandığınız gübre ve ilaç miktarında değişim oldu mu? Ne zamandan beri? Bu miktarı ne etkilemekte?
- Başından beri sözleşmeli mi ekiyorsunuz? Faydaları/kısıtlamaları?
- Pancar ekmeye devam etmeyi düşünüyor musunuz? Kota kaldırılırsa pancar ekimini arttırır mısınız?

13) Buğday:

- Ne zamandan beri ekiyorsunuz? Hangi çeşidi ekiyorsunuz? Neden?
- Bu sene ne kadar ektiniz? Ektiğiniz miktarda değişiklik oluyor mu her sene? Neden?
- Kime satıyorsunuz? Aile tüketimi için ayrı bir buğday ekimi yapıyor musunuz?
- En son en kadara sattınız? Hangi dönemde sattınız?
- Fiyatları sürekli değişiyor mu? Neden? Sizi nasıl etkiliyor?
- Verimi nasıl? Değişim var mı? Neden?
- Kar oranı düştüğünde buna karşılık ne yaptınız?
- Buğday tohumunu nereden alıyorsunuz? Nasıl(peşin, veresiye)? Fiyatları nasıl? Değişiklik var mı?
- Ne zamandan beri sertifikalı tohum kullanıyorsunuz? Nasıl bu tohumu kullanmaya başladınız?
- Kullandığınız bu tohum verimi, buğdayın kalitesini nasıl etkiliyor?
- Son yıllarda buğday üretimi için kullandığınız gübre ve ilaç miktarında değişim oldu mu? Ne zamandan beri? Bu miktarı ne etkilemekte?
- Bu girdilerin fiyatları üretimi nasıl etkiliyor?
- Buğday üretmeye devam etmeyi düşünüyor musunuz?

14) Mısır: **üretim yapmayanlar: Mısır üretmeyi düşünüyor musunuz? Neden?

- Ne zamandan beri ekiyorsunuz? Hangi çeşidi ekiyorsunuz? Neden?
- Mısır üretmeye nasıl başladınız? Sularda tuzlanma olmasaydı nohut ve fasulye ekmeyi tercih eder miydiniz? Neden? Mısır bu bölgenin ürünü mü?
- Bu sene ne kadar ektiniz? Ektiğiniz miktarda değişiklik oluyor mu her sene? Neden?
- Kime satıyorsunuz?
- En son en kadara sattınız? Hangi dönemde sattınız?
- Fiyatları sürekli değişiyor mu? Neden? Etkisi?
- Mısırdan kar ediyor musunuz?
- Verimi nasıl? Verimi ne etkiliyor? Değişim var mı? Neden?
- Mısır tohumunu kimden alıyorsunuz? Nasıl(peşin, veresiye)? Fiyatları nasıl? Değişiklik var mı?
- Ne zamandan beri hibrit tohum kullanıyorsunuz? Bu tohumu kullanmaya nasıl başladınız? hangi markayı kullanıyorsunuz? Neden bu tohumu tercih ediyorsunuz?
- Son yıllarda mısır üretimi için kullandığınız gübre ve ilaç miktarında değişim oldu mu? Ne zamandan beri? Bu miktarı ne etkilemekte? Tohum?
- Mısır üretmeye devam etmeyi düşünüyor musunuz? Neden?

15) Ayçiçeği: **üretim yapmayanlar: üretimini yapmayı düşünüyor musunuz? Neden?

- Tohumluk ayçiçeği üretmeye nasıl başladınız? Ne zamandan beri?
- Bu sene ne kadar ektiniz? Ekilen miktardaki senelik değişim neye göre?
- Sözleşmeli mi? Kiminle? Faydalar/kısıtlamalar?
- Bu üretimde siz neler yapıyorsunuz? Şirket neler yapıyor?
- Ne kadara satıyorsunuz?
- Verimi nasıl? Verimi ne etkiliyor?
- Şirketin verdiği ayçiçeği tohumunun özellikleri neler?
- Üretilen bu ayçiçeği tohumları nereye satılmakta? Hangi ürünler için bu tohum üretilmekte?
- Bu tohumu şirket size verirken herhangi bir şart öne sürüyor mu? Bu üretimden elde ettiğiniz tohumluklardan kendinize ayırmanız mümkün mü?

- Ekimine devam etmeyi düşünüyor musunuz? Neden?

16) Tohum fiyatlarını sürekli takip ediyor musunuz? Tohum fiyatlarını ne etkiliyor?
17) Tohumu her seferinde satın almak üretim maliyetlerinizi nasıl etkiliyor?
18) Çiftçilerden aldığınız tohumlar var mı?
19) Mevsimlik işçi, amele çalıştırıyor musunuz? Hangi ürünler için? Önceki yıllarda nasıldı?
20) Tarlayı nasıl suluyorsunuz? Damlama sulama sistemi kullanıyor musunuz?
21) Toprağın yapısında son yıllarda değişiklik var mı? Nasıl? Nedeni ne sizce?
22) Toprağı nadasa bırakıyor musunuz? Neden?
23) Pankobirlik hakkında genel olarak ne düşünüyorsunuz? "Biz üretici fabrikasıyız deniliyor". Sizce de böyle mi?
24) Pankobirlikten aldığınız ayni ve nakdi destekleri geri ödüyor musunuz? Nasıl?
25) Bölgenizde gerçekleştirilecek olan Kanola üretimi ile ilgili ne düşünüyorsunuz?
26) Bölgenizde değişen ürün çeşitliliği hakkında ne düşünüyorsunuz? Size ne gibi fayda/kısıtlamalar sunmakta?
27) Çiftçiliği bırakmayı düşünüyor musunuz? Çocuklarınızdan tarımla uğraşmaya devam etmeyi düşünen var mı?
28) Genel olarak Türkiye'deki tarım politikaları hakkında ne düşünüyorsunuz?

APPENDIX 2: RESPONDENT LIST

FARMERS IN ARIKÖREN VILLAGE										
#	**Name**	**Age**	**Gender**	**Education Level**	**Size of Cultivated Land**	**Cultivated Crops**	**Animal Husbandry**	**Other Income-Generating Jobs**	**Pankobirlik Membership**	**Indebtedness**
1	**Anıl**	47	Male	High-school	140 *dönüm*	sugar beets, maize, wheat	Yes	None	No	Yes/12 thousand TL
2	**Caner**	45	Male	High-school	125 *dönüm*	Sugar beets, maize, wheat, sunflower seeds, barley	Yes	None	Yes	Yes/25 thousand TL
3	**Fatih**	61	Male	Elementary School	45 *dönüm*	Sugar beets, wheat, sunflower seeds	No	None	Yes	Yes/10 thousand TL
4	**Harun**	45	Male	Secondary School	60 *dönüm*	Sugar beets, maize, wheat, barley	No	None	Yes	Yes/-
5	**Hasan**	43	Male	Elementary School	65 *dönüm*	sugar beets, maize, wheat	Yes	None	Yes	Yes/15-20 thousand TL
6	**İsmet**	43	Male	High-school	120 *dönüm*	Sugar beets, wheat, sunflower seeds	Yes	None	Yes	Yes/50 thousand TL
7	**Mahmut**	50	Male	Secondary School	120 *dönüm*	sugar beets, maize, wheat, barley	Yes	None	Yes	Yes/-
8	**Metin**	55	Male	Elementary School	350 *dönüm*	sugar beets, maize, wheat	No	Yes/Grocery-Owner	Yes	No
9	**Mustafa**	67	Male	Elementary School	200 *dönüm*	sugar beets, wheat	No	None	Yes	No
10	**Orkun**	44	Male	High-school	70 *dönüm*	Sugar beets, maize, wheat, barley	Yes	None	No	Yes/-
11	**Serdar**	49	Male	Elementary School	300 *dönüm*	sugar beets, maize, wheat	No	None	Yes	No

FARMERS IN ARIKÖREN VILLAGE (Cont'd)										
#	Name	Age	Gender	Education Level	Size of Cultivated Land	Cultivated Crops	Animal Husbandry	Other Income-Generating Jobs	Pankobirlik Membership	Indebtedness
12	**Serkan**	51	Male	Elementary School	140 *dönüm*	sugar beets, maize, wheat	No	None	Yes	Yes/40-50 thousand TL
13	**Sezgin**	49	Male	Secondary School	40 *dönüm*	sugar beets, sunflower seeds, wheat	Yes	None	Yes	Yes/25 thousand TL
14	**Tahir**	61	Male	Elementary School	70 *dönüm*	sugar beets, sunflower seeds, wheat, maize	Yes	None	Yes	Yes/-
15	**Talha**	30	Male	Secondary School	90 *dönüm*	sugar beets, maize, wheat, barley	Yes	Yes/Gatekeeper in TMO	Yes	Yes/5 thousand TL
16	**Tamer**	32	Male	Secondary School	35 *dönüm*	sugar beets, maize, wheat	Yes	None	Yes	No
17	**Tarık**	38	Male	High-school	100 *dönüm*	sugar beets, maize, wheat	Yes	None	Yes	Yes/-
18	**Tolga**	62	Male	High-school	70 *dönüm*	sugar beets, maize, wheat	No	None	Yes	Yes/-
19	**Tuğrul**	39	Male	Secondary School	80 *dönüm*	sugar beets, sunflower seeds, wheat, maize	Yes	None	Yes	Yes/10 thousand TL
20	**Yasin**	51	Male	Elementary School	50 *dönüm*	sugar beets, maize, wheat, barley	No	Yes/Driver	Yes	Yes/-

OTHER INTERVIEWS		
#	**Name**	**Occupation/Position**
21	**Sami Bilgi**	Mayor of Arıkören
22	**Dede Ülker**	Director of Social and Administrative Services, Çumra Şeker Entegre Tesisleri
23	**Bilal Ünal**	Project and Statistics Department Manager, Konya Provincial Directorate of Agriculture
24	**İ. Bülent Alparslan**	Provincial Director, Konya Provincial Directorate of Agriculture
25	**İsmail Özkan**	Press Adviser, Konya Commerce of Exchange
26	**Hüseyin Bey**	Konya Önder Çiftçi Derneği
27	**Prof. Dr. Ediz Ulusoy**	Faculty of Agriculture, Ege University & The Association of Agricultural Machinery (TARMAKDER)
28	**Abdullah Aysu**	The Chair, Confederation of Farmer Unions (Çiftçi-Sen)