



How did post-2000 agricultural policy changes in Turkey affect farmers? – A focus group evaluation



Hacer Celik Ates^{a,*}, Hasan Yilmaz^a, Vecdi Demircan^a, Mevlut Gul^a, Erdogan Ozturk^b, Murside Çağla Ormeci Kart^c

^a Agricultural Economics, Suleyman Demirel University, Isparta, Turkey

^b Actuary and Risk Management, Karabuk University, Karabuk, Turkey

^c Agricultural Economics, Ege University, Izmir, Turkey

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ABSTRACT

The aim of this study is to provide an analysis on how producers have been affected by the decisions made in 2000 in the agricultural sector. Data collected from the focus group discussions was compared to the agricultural policy effects on Antalya Burdur and Isparta provinces. The participants were primarily selected from a list of state institutions and organizations, and included representatives from cooperatives and producer organizations that are engaged in the agricultural sector and/or bring service to rural areas. The discussion revealed that small-scale farmers were unable to use the support provided by the policies; as a consequence, many of them were unable to cultivate their land and had to migrate. In general, the participants stated that significant social and economic changes did occur in rural areas, however they emphasized that these changes were to the detriment of small-scale farmers and instead favored farmers operating on large scale.

1. Introduction

Until the year 2000 the agricultural sector in Turkey was supported by price-weighted policy tools that were connected to short-term political conjuncture and largely excluded structural measures (Abay et al., 2005). This basic framework in the agricultural industry was characterized by decreasing the amount of support the sector was getting, suppression of agricultural product prices and sharp changes in domestic trade limits.

After 2000 the reforms in agricultural policy within Turkey became ineffective by being unable to convey consistent benefits to the diverse membership group that exists within the agricultural industry. Moreover, policy implementation was unable to reach the desired targets without bringing an unacceptable financial burden onto the state. In addition to the budgetary burden they placed upon public (government) resources, the implementation was also criticized for being inefficient, for inability to give key support to the targeted audience, for inequality in income distribution, for being insensitive to market conditions, and for allowing the political priorities to override key supporting decisions, when they were needed.

From the onset of this agricultural reform in Turkey, the World Trade Organization and the EU Customs Union Agreement determined the external framework. Consequently, these international obligations

that came from the agreements to which Turkey became a party to, as well as changes in territorial and international conditions, brought about approaches and requirements to the reform agenda that were not entirely expected. The Criteria that was brought from the agreements with IMF and the World Bank created so called “stability programs” which became the main determinants for agriculture policies (TKB, 2004), and after the implementation of these programs an economic crisis occurred.

The re-construction of agriculture in Turkey on the basis of international agreements had already been an important issue through the 1990s. Therefore these issues combined with the effects of globalization policies, forced the public institutions which had been organizing agricultural markets to either liquidate or to witness the state's sub-structure services become opened to foreign capital through privatization (Kazgan, 2003).

Agricultural reforms that Turkey implemented after 2000 brought radical changes to the government policy that governed the agricultural support system. The Agricultural Reform Implementation Project (ARIP) signed with the World Bank in 2001 played a major role in bringing about these changes (Sahinoz et al., 2005). ARIP embraced three major undertakings in order to help and reduce the budgetary suppression of the agricultural sector and to create growth. These were: (1) Direct income support (DIS), (2) Progressive abolition of price and

* Corresponding author.

E-mail address: celikha@yahoo.com (H.C. Ates).

credit supports which had been mainly used to provide income to large institutions and (3) Reduction of state intervention in the cultivation and marketing of products through privatization of the public institutions in agriculture.

An early manifestation of this reform process was the transition of agriculture sector to direct income support policies within the scope of ARIP. The 1995 implementation of the Agreement on Agriculture (AoA), which was negotiated during the Uruguay Round of the General Agreement on Tariffs and Trade and was signed by Turkey. This new agreement implemented income support policies and replaced “classified support policies”, and other early steps toward liberalization were being taken in the agricultural products market (Ari, 2007). This framework was aimed at the establishment of Direct Income Support (DIS) to take the place of price, fertilizer and credit supports, especially in the areas where there was an oversupply (tobacco and nut) from production fields. The framework was also expected to aid in the reconstruction of government connected agricultural sales cooperatives (Yavuz et al., 2006). This reform would create a direct payment system that would be independent of production and take the place of interventions which had ruined the market. During this reconstruction process, it was expected that the income gap caused by the abolition of price and input credits would be filled in by DIS. DIS would gradually become a weighted policy and the main support tool in Turkish agriculture. Ultimately, this liberalization policy prompted by ARIP was expected to enhance the agricultural sub-structure of Turkey, a country unable to solve its structural problems in the agricultural area without the help of the state. Table 1 shows the support given to agriculture in Turkey after the year 2000.

Three imbedded processes affected Turkish agriculture between 2000 and 2010.

- (1) Agricultural Reform implementation for the domestic market under ARIP.
- (2) Continuation of the World Trade Organization Agriculture Agreement discussions
- (3) Turkey's efforts to comply with EU Common Agriculture Policy.

These three processes impacted all aspects of the Turkish agricultural sector, such as the structure of the industry, rural development, agricultural production, as well as the producer's production decisions and their expectations for the future.

Agricultural policies in Turkey over the last 10–15 years demonstrated that the sector had a variety of problems. The compliance policies that were a part of recent international agreements and liberal economic theory could not be implemented in some instance due to

structural problems within the system. Additionally, millions of people living off agriculture faced severe socio-economic conditions, and the economic crises experienced after the 1990s brought international policies in agriculture to the forefront, and this led to significant changes in the rural areas of Turkey. During this period, migration to the cities increased, unemployment in both rural and urban areas increased and farmers with little or no land lost their ability to be self-sufficient. The number of those faced with absolute poverty in Turkey increased year by year. Throughout the country uneven income distribution, economic fluctuations and the inability to make good use of available resources greatly increased the number of relatively poor people (Gulcubuk et al., 2005).

This study aims to analyze how producers were affected by the decisions, supports, arrangements and policies applied to the agricultural sector after 2000, whether these applications produced significant structural and socio-economic changes and, if so, whether those changes were positive or negative.

2. Research method

Focus group discussion meetings were used as the medium for data collection in Antalya, Burdur and Isparta provinces.

In the Burdur province animal husbandry (both for meat and milk production), is the dominant agricultural product. While, Isparta region is known for its rose oil, apple, and cherry products. Finally, Antalya has the highest agricultural potential for fresh vegetables and fruits, greenhouse products which can be traded, both domestically and internationally.

Seven in Antalya, and six in Burdur and Isparta focus group discussions were organized. Two of Antalya's regional events took place in the city center, and the rest took place in Gazipasa, Korkuteli, Kumluca, Akseki and Manavgat townships of Antalya respectively. Burdur events were held in the city center twice and the rest in Aglasun, Gohisar, Bucak and Yeşilova townships. In Isparta, the events took place in the city center twice and Sutculer, Egirdir, Yalvac, and Kecioburlu townships.

The participants were selected from a list provided by the state institutions and organizations, cooperatives and producer organizations which were engaged in agricultural sector or brought services to rural areas. Accordingly, the participants were from the following institutions and organizations. Not every type of organization, listed below, is present in all of the research areas. Therefore, the focus group meetings were only held with participants from organizations existing in a particular research area.

1. Policy makers/government

Table 1

The supports given to agriculture in Turkey after the year of 2000.

Source: Ministry of Food, Agriculture and Livestock (MFAL), 2013. www.bugem.gov.tr.

Vegetative Production Supports	Livestock Supports	Credit Supports with Interest Rate Cut
DIS (Direct Income Support)	Forage Plants Support	Milk and Livestock Organization and Investment Support
Diesel Oil Support	Water Products Supports	Small cattle livestock support
Chemical Fertilizer Support	Brucella S-19 Vaccine Support	Pressure Irrigation Investment Support
Soil Analysis Support	Brucella Rev-1 Young Vaccine Support	Controlled Greenhouse Agriculture Support
The Support of Good Agricultural Implementations	Artificial Insemination Support	Organic Agriculture Support
Organic Agriculture Support	Artificial Seed Equipment Support	
Agriculture Extension and Consulting Support	Pregnant Heifer Support	
CATAK Support	Calf Support	
Village Based Participant Investment Projects – VBPUP	Fertilizer Pit Support	
Certified Sapling Usage Support	Milk Support	
Certified Seed Usage Support	Milking Unit and Cooling Tank Support	
Certified Seed Production Support	Queen bee support	
Oily Seed Production Support	Active colony (hive with bees) support	
Support of Grain and Legume Producers	Liquid honey Support	
The Support of Cultivating Alternative Product to Tobacco	Rootstock Breeding Cattle Support	
Bumble Bee Support	Rootstock Breeding Sheep Support	
Agricultural Insurance Support		

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