What are the New Functions of Agriculture Cooperatives in the Progress of Globalization? The Case of Agriculture Cooperatives of Kastamonu

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Abstract

While production and markets have been becoming more integrated since barriers to the international trade reduced, capital movements and the speed of spreading of technology increased with the progress of globalization, issues regarding to agriculture, environment, women, employment, and education became more critical.

In this research, “by which functions and missions can agricultural cooperatives sustain their assets under globalized conditions” is the major research question. In the research, 19 cooperatives were chosen among 308 cooperatives, depending on their distance to Kastamonu, foundation year, and the amount of member. Subjects were determined by their traits and occupations. 164 subjects were interviewed via survey questions in 2014-2015. In research, “The situation-specific approach” model, developed by Hartmut Albrecht was applied.

Because of the progress of change in organizational values, agriculture cooperatives have to undertake new functions in addition to maintaining agricultural production. The functions can be classified into 4 categories as socio-economic (taking local goods to international markets, recording incomes in the agriculture sector, and creating new employment positions to reduce migration to urban), international relations (developing new projects toward internationalizing to collaborate with other cooperatives), planning (making long-term strategic plans), and education (training women in rural areas, and obtaining their collaboration in cooperative campaigns, and educating future's cooperative managers).

1 The Scope and Aim of the Study

This research is conducted in a Project, which financially supported by the Commission of Scientific Research Projects of Kastamonu University. Since the main research question of this study is “How can agricultural cooperatives sustain their assets under globalized conditions”, the phenomenon of globalization is required to be described at first.

1.1 What is Globalization?

Globalization or “the new world order” is an economic – political - cultural result of the capitalist system. It is the production of central countries (USA and EU), in order to raise their profit rates which had been decreasing; and it is the world of capitalism which has been unrivaled after the collapse of Soviet Union (socialist block). Here, the term of globalization, and the supportive or opposing opinions of the globalization will be presented briefly.

The term of globalization doesn’t reflect its real meaning by means of its economic, political, social content. Therefore, it is stated that the globalization hides the disorder of “the new world order”, so it is a “tricky word” (Mattelart, 2001). Also, it is claimed that neo-liberalism is one of the ideological invasion tools as a fraud concept (Koray, 2008).

According to OECD, the globalization is a progress, which manufacturing and markets of different countries become more dependent to each other (İrmış, 2010). This is a superficial definition, doesn’t describe some crucial points such as which country, in which context and which depth, is dependent to other countries. In addition, the globalization is stated as an environment, which barriers on the international commerce become lesser, obstacles that preventing international powers are destroyed, and the movement speed of capital become faster (O’Rourke, 2013).

The two definition above were created by central countries, and don’t state any information about the negative effects of the globalization on economic, political, social structures of underdeveloped periphery countries. Now, let’s touch upon the opinions that criticize the globalization. The globalization is an effort to make the phenomenon called imperialism more respectful, and to create desperation against it (Boratav, 1997). Furthermore, the globalization is stated as “financial imperialism” and the maximum level of capitalism (Eğilmez, 2009). Another significant statement about the negativity of the globalization is the book called “Globalization and its Discontents”, published in 2002 by George Stiglitz.

Based on the concepts above, the globalization is a “Trojan Horse” for the periphery countries since its external appearance is radically different than its inner contents. After describing the globalization, explaining
The specifications of the relationship between the globalization and agriculture sector will help this research to be more comprehensible.

1.2 The Globalization, Agreement on Agriculture, and the Consequences Regarding the Agriculture.

After giving a brief about the fundamental consequences of the agreement on agriculture, also known as the Framework for Establishing Modalities in Agriculture or Uruguay round, the situation of Turkey will take place.

At the beginning of 1958, the agricultural production of the 6 countries, which formed “European Economic Community” wasn’t enough to fulfill their own needs. In 1962, implementation of “common agricultural policy” was started. The 6 country first became self-sufficient in a short time and had surplus production after 1980. This became a financial burden for the EU. As a natural consequence, EU started to develop policies in order to sell its surplus to foreign market. In the meantime, the USA too had agricultural production surplus.

This means that these are the regulations that obligate periphery countries to decrease internal incentives on agriculture and export, also facilitate penetration to the foreign markets or direct foreign investments for the convenience of central countries.

As a result, the agriculture sector was adjusted to the globalization and gained specification as a fundamental element of international economic development. In other words, it absolutely liberated from the political, social, and natural factors and became an economic sector (Şahinöz, 2005). This means that countries will not be able to apply intervention price, supporting the purchase, export incentive and credit without confirmation of WTO.

It is claimed that this absolute adjustment of the agriculture sector to the market economy will be destruction for the underdeveloped countries especially for the ones which haven’t overcome their structural problems yet, since it will decrease the production level by eliminating the exporting opportunities.

In this manner, agriculture became a tool in order to solve the problems of EU, USA, and their large international companies. In short, the problems of underdeveloped countries are taken into account with the perception of central countries. Subsequently, this means re-ordering the world.

EU and USA apply a double morale agriculture policy. While subsidizing their own agriculture, they have been demanding periphery countries to implement WTO regulations strictly since 1995.

For instance, the incentive provided on agriculture in OECD countries is six times more than the incentives for development. As a more precise example, EU uses 50% of the GDP for agriculture issues. The annual incentive amount that the USA provided to 25000 cotton producers is approximately 3,9 billion dollars in 2002 (United Nations, 2015).

Whereas the market share of the EU and the USA in the world agriculture market is increasing, the market share of periphery countries is decreasing.

Periphery countries are threatened in two ways. Firstly, there is incentivized agriculture surplus of developed countries. Secondly, there are regulations of WTO and structural adjustment programs as a content of “stand by” agreements of IMF.

The surplus in agriculture production decreases international price levels artificially, so incentivized imports of central countries threatens the existence of local producers in developing countries that are unable to subsidize exporting. In short, the regulations of WTO wipe out the periphery countries from the international market and start the dynamics that will eliminate the agricultural producers, which are the foundation of the economy.

1.3 The Consequences of Agreement on Agriculture of WTO and Turkey

The countries, which apply to IMF in order to relieve from a recession, are obliged to implement agriculture policies of WTO as an essential part of structural adjustment policies. In other words, the countries have to cut off their agricultural incentives and allow importing. Actually, Turkey made its political choice in this way on the 24th of January in 1980 by signing “economic stability program”, and expressed its consistency on these policies with the “intention letter” on December, 1998.

In brief words, because of signing structural adjustment programs, Turkey had to implement agricultural policies, which exceed the liberal agricultural policies of WTO. As a result, the agricultural structure of Turkey turned into a shape, which starts to lose its self-sufficiency and becomes more dependent to foreign countries (Güneydin, 2005a). These movements intend the elimination of villagers and domination of capitalist production style in the agriculture sector of Turkey (Güneydin 2005b).

It can be claimed that Turkey jeopardized agricultural producers and nutrition of citizens by leaving agriculture to the market mechanism. It is known that one of the reasons of the downfall of the Soviet system was being unable to handle agricultural production issues.

The consequences of agriculture policies stated above, created by IMF, WTO, World Bank (WB) and EU become solid in 5 specifications:

a) Agricultural population and employment rate must be decreased to 5%. Whereas 35% of the general population lives in the rural areas in 2005, only 21% of the population lives in the rural areas in 2013.
b) Average of business size should be increased from 6 hectares to 13 hectares, which is the average size in EU; otherwise small businesses should be eliminated: The amount of cultivated area is decreasing every year with an increasing speed since the agricultural producers leave their lands empty under the conditions of the high input and low output prices. The total amount of cultivated land declined 1.9 million hectares. Furthermore, the reduction amount of livestock is 4 million (Özkaya, 2010).

c) All of the state-owned enterprises should be privatized: All government business enterprises, which contribute and support agricultural production, were either fractionally closed or sold to national and foreign investors. For instance, few companies took the market dominance in the milk processing sector after state-owned enterprises resign. This situation is described as demobilization of all government agricultural research institutes and government business enterprises, assuring limitless-lawless usage of agricultural lands, leaving the sector to the international companies, collapsing a country’s agriculture by making it absolutely dependent with every input and output (Günaydın, 2005b).

d) The connection between agricultural incentives and production must be cut off: Incentives by government reduced fractionally. The application of giving a low-interest loan of Agriculture Bank of Turkish Republic was canceled. This was a kind of doom for the agricultural producers.

e) The share of agriculture in export: The share of agricultural products gradually reduced till 4%. Turkey started to import agricultural products approximately 3 billion dollars per year.

It is stated that customs union agreement with EU, agreement on agriculture with WTO, and stand-by agreements with IMF provided a base for a decline in agriculture of Turkey (Oral, 2006). On the other hand, four years later, another statement was made that agreement on agriculture with WTO doesn’t have direct destructive effects on the agricultural structure of Turkey; however, because of the impacts of stand-by agreements, it limits agriculture incentives significantly. Furthermore, Turkey is able to protect its internal market with the custom policies. It is obvious that the Customs Union, agreement of agriculture, and stand-by agreements became external determinants of Turkish agricultural policies (Özkaya, et. al, 2010).

1.4 Research Objective, Question, and Hypothesis

In the scope of this research, the contribution of KÖY-KOOP (agricultural cooperatives union of Kastamonu) in rural development, and evaluation of the members regarding the projects of the union are examined.

The objective of the research is studying the evaluation results of the union affiliates and developing recommendations in the context of globalization for the future.

The research question was defined as “by which functions and missions can agricultural cooperatives sustain their assets under globalized conditions”.

Hypothesis: Since the affiliates are effective in building milk collection centers, marketing and increasing milk prices, and the annual income of the affiliates increased after joining the union, the administration of KÖY-KOOP evaluated as successful.

2 Theoretical Framework

In the research, the adjusted version of an approach, developed by Albrecht (1974), based on the data obtained from the previous studies (1976;2000;2005a,b.).

The concept of assessment, the self-criticism of the action that will be researched, the result of applied program, and determination of effective variables are used in order to analyze cause and effect relation scientifically. In this research, assessment period was done basically in three stages. At the initial stage, data collected by making observations. Secondly, some measurements and assumptions were determined based on the observations. In the final stage, some propositions mentioned regarding the effect of KÖY-KOOP. This research is a post-hoc-evaluation since operations of KÖY-KOOP are still running. So it was possible to acquire the cause and effects, which occurred during the application directly. In this way, helping KÖY-KOOP to sustain and advance its accomplishments via the data acquired during this research will be possible.

3 Methodology

Kastamonu KÖY-KOOP is formed by 308 agricultural cooperatives, located in Bartın, Çankırı and Kastamonu cities. The cooperatives classified into 4 categories as milk production, milk production & forest products, forest products, and irrigation. In this paper, the survey results acquired from milk production cooperatives are presented. This research project is carried out the dates between March 2014 and December 2015. In this paper, the initial results of the project by the data obtained until May 2015 is presented. Apart from this, the researchers acquired information about the problems and projects of unit cooperatives by attending the plenary committees, and the training programs, both conducted in the daytime and at nights.

Furthermore, the contribution of KÖY-KOOP is examined by interviewing authorities from relevant government institutions such as financial office, regional directorate of forestry, provincial directorate of
agriculture etc. Moreover, reasonable information related with the discussed subjects and the problems attained by attending plenary committees of KÖY-KOOP and The National Cooperative Union of Turkey. Also, training programs of Republic of Turkey Ministry of Food, Agriculture and Livestock are observed.

3.1 Selection of the Interviewees

The number of participants is selected by stratified random sampling as following: the survey was conducted with minimum 5 members from each cooperative. According to the latest data of KÖY-KOOP, there exist 1116 female members of the union. Although surveying with female members was a high priority in research, it was rarely possible. As a research methodology, milk production cooperatives are selected initially. In this scope, 19 cooperatives were selected, depending on their distance to Kastamonu, foundation year, and the amount of the affiliates. The interviewees were selected by their traits and occupations. However, in case of being unable to find the determined interviewees or an interviewee doesn’t want to survey, 10% more affiliates were selected, which means another 11 people were taken as back up. In short, survey was applied by face to face sessions with 164 participants. 6 of the surveys weren’t taken into account since the information acquired was conflictive.

<table>
<thead>
<tr>
<th>Districts</th>
<th>Milk Cooperatives</th>
<th>Selected Cooperatives</th>
<th>Selected Affiliates</th>
<th>Foundation Years of Selected Cooperatives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Central District</td>
<td>28</td>
<td>33,73</td>
<td>8</td>
<td>42,1</td>
</tr>
<tr>
<td>Taşköprü</td>
<td>43</td>
<td>51,81</td>
<td>9</td>
<td>47,4</td>
</tr>
<tr>
<td>Daday</td>
<td>8</td>
<td>9,63</td>
<td>1</td>
<td>5,25</td>
</tr>
<tr>
<td>İhsangazi</td>
<td>4</td>
<td>4,82</td>
<td>1</td>
<td>5,25</td>
</tr>
<tr>
<td>Total</td>
<td>83</td>
<td>100,0</td>
<td>19</td>
<td>100,0</td>
</tr>
</tbody>
</table>

**Table 1. Measurement of Cooperative Selection**

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Income</th>
<th>Satisfaction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increased</td>
<td>Otherwise</td>
<td>Very Pleased</td>
</tr>
<tr>
<td>Primary School</td>
<td>100</td>
<td>92,6</td>
<td>8</td>
</tr>
<tr>
<td>Secondary School</td>
<td>23</td>
<td>95,8</td>
<td>1</td>
</tr>
<tr>
<td>High School/Academy</td>
<td>32</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>155</td>
<td>93,7</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Size</th>
<th>Income</th>
<th>Satisfaction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increased</td>
<td>Otherwise</td>
<td>Very Pleased</td>
</tr>
<tr>
<td>0,1-3 Hectares</td>
<td>16</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>3,1-5 Hectares</td>
<td>25</td>
<td>92,6</td>
<td>2</td>
</tr>
<tr>
<td>5,1-10 Hectares</td>
<td>77</td>
<td>97,5</td>
<td>2</td>
</tr>
<tr>
<td>10,1+ Hectares</td>
<td>37</td>
<td>88,1</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>155</td>
<td>94,5</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of Dairy Livestock</th>
<th>Income</th>
<th>Satisfaction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increased</td>
<td>Otherwise</td>
<td>Very Pleased</td>
</tr>
<tr>
<td>1-10</td>
<td>84</td>
<td>95,5</td>
<td>4</td>
</tr>
<tr>
<td>11-20</td>
<td>53</td>
<td>94,6</td>
<td>3</td>
</tr>
<tr>
<td>21+</td>
<td>18</td>
<td>90,0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>155</td>
<td>94,5</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>District of Cooperative</th>
<th>Income</th>
<th>Satisfaction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increased</td>
<td>Otherwise</td>
<td>Very Pleased</td>
</tr>
<tr>
<td>Central District</td>
<td>56</td>
<td>88,9</td>
<td>7</td>
</tr>
<tr>
<td>Taşköprü</td>
<td>81</td>
<td>98,8</td>
<td>1</td>
</tr>
<tr>
<td>Daday</td>
<td>10</td>
<td>90,9</td>
<td>1</td>
</tr>
<tr>
<td>İhsangazi</td>
<td>8</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>155</td>
<td>94,5</td>
<td>9</td>
</tr>
</tbody>
</table>

**Table 2. Evaluation of KÖY-KOOP**
4 Results

The results were evaluated in two sections. The first section consists of the foundation and development. The second one includes brief results of the survey study, conducted with cooperative members.

4.1 The Foundation and Development of KÖY-KOOP

Many unit cooperatives form the regional unions, and the unions from different regions form the central union, located in Ankara. There are 23 cooperative unions like KÖY-KOOP that form the central union.

Although KÖY-KOOP was founded in 1977, it only stayed active for 3 years. From 1980 to 1996, the union made no activity. The union is a multi-purpose organization, and it incorporates 308 units, related with different subjects, which are agriculture, livestock, forestry, irrigation, product processing, supplying input, and marketing. The union has 18592 members, which 1116 of them are female (Anonymus, 2015). There are 42 milk collection centers in 31 different locations, and 80 local cooperatives and 120 villages benefit from this. The first milk collection center started to work in 1997.

Whereas the income was 1.021.452 TL in 2008, it was 2 million TL in 2014 (Anonymus, 2015); which means it increased at a double rate. The capital receipt of the union is 1 646 257, 97TL. While only 1,5 million liter milk is produced in 1997, 172 million liters was produced in 2013, which is an amount higher than a hundred times more.

KÖY-KOOP employs 1 senior agriculture engineer, 2 agriculture engineers, 2 agriculture technicians, 2 forest engineers. All the employees work at the office building located in the city center of Kastamonu. When it is needed, they visit towns and villages by using the vehicles of the union. In other words, there exist no agencies of the union in the towns or villages. The union possesses a two-storey building and 2 vehicles.

4.2 Does KÖY-KOOP Have A Strategy Against The Globalization?

Four dimensions take part in this context.

International relations of KÖY-KOOP: The international relations of KÖY-KOOP can be divided into two categories. The first one is directly collaborating with the other cooperative unions located in the EU countries; the second category is submitting projects to international organizations such as EU, UN, WB in order to obtain financial support.

Currently KÖY-KOOP is in collaboration with German Cooperative and Raiffeisen Confederation in various subjects such as livestock, milk quality control, ecotourism, forestry, empowering the performances of the unit cooperatives, under the KÖY-KOOP. Also, it financially supports the periodic training programs of KÖY-KOOP, carried out for administrators and volunteers of cooperative.

In addition, training programs and applications, financed by EU, were held regarding quality improvement for raw milk to reach EU standards. Also, programs implemented in order to train forestry workers. In the scope of the first project, a laboratory was founded, which is helpful to analyze ingredients and bacteria rate of the raw milk. In the second project, applied certification training was held in order to prevent casualties. Also, regulations were formed in this direction.

Furthermore, KÖY-KOOP is handling 2 projects, financed by United Nations (UNDP). In the first project protecting trees called simşir (Buxus sempervirens), organizing training programs in spoon engraving, and establishing required workshops were aimed. In the second project, satisfying the local energy requirement was aimed. In this manner, biogas produced by using the disposal of 5 cows was able to cover gas needs in the kitchens of 2 houses.

By applying these kinds of projects, KÖY-KOOP aims to develop the cooperative system, by having more functions than simply marketing milk and forestry products in order to increase the income of local people.

Planning and strategic plan: Strategic planning describes the path between the points, which an organization stands and aims to reach. By strategic planning, adopting the potential harsh situations of globalization will be easier. In 2012, “Cooperation Strategy and Action Plan” was formed with the collaborative work of related ministries, and all cooperative unions. Within the scope of this strategic plan, a strategy team, consist of 13 experts was organized in KÖY-KOOP in order to form a unique strategic plan for the organization at the end of 2013. Based on the SWOT analysis, mission and vision were determined. Also, opinions of internal and external shareholders were considered while a strategy plan, covers the years from 2014 to 2017, was being prepared.

Within the frame of the strategic plan, four strategic aims, eleven objectives, and fifty action plans was determined as follows:

1. Improving the structures of unit-cooperatives.
2. Increasing the service quality.
3. Empowering the organizational structure.
4. Branding
These aims were determined within the vision of “being a reference in the international standards”. This strategic plan was printed as a book at the end of 2014 and published. Also, it was presented to shareholders and related institutions by word of mouth. In this paper, the details of objectives and action plans will not be mentioned. However, it must be stated the plan doesn’t include anything about the environmental issues. By making strategic plan, while new functions will be added to Turkish cooperative system, the following contributions will take place:

The importance of agricultural cooperation will take attention of public. The current prejudice of public and universities against cooperatives will decline because the aims of the plan are eligible to contribute to economic-politic lives of agricultural producers of Turkish society.

It possesses the characteristic of being the first step toward forming a unique cooperative model in Turkey since it provides a foundation for a transition to functional cooperation.

In addition to the 2 contributions above, KÖY-KOOP will have an extra contribution by becoming institutionalized, forming an organizational identity, helping unit cooperatives to realize their own capabilities, working more efficient, becoming well-disciplined, and planning their actions scientifically.

**Situation in marketing of milk:** Till 1996, milk collectors were dominated in the milk collection and marketing businesses. Price and payment period was uncertain. Because of this structure, milk producers were not able to get government incentives for milk production. The producers didn’t have the power to negotiate to sell milk. There was also no milk cooling tank, and laboratory to analyze milk.

In Kastamonu, the problems of local factories and businesses, busy with milk processing were at reasonable levels. They weren’t able to diversify their products, couldn’t make a brand, and the quality of their products were low. This situation prevented the development of livestock and milk production.

KÖY-KOOP, by its activities, attained 2 consequences as follows:
- It provided the environment for the producers to produce high-quality milk.
- It helped producers to have more power to negotiate for the milk price.

Local milk processing factories and businesses in Kastamonu were dictating milk prices to producers. Their capacities for milk processing were limited. Under these conditions, KÖY-KOOP achieved to sell milk above the local prices by making an agreement with a large company, operating in national dimension. So, local factory owners had to make adjustments regarding the product processing quality and price.

**Creating employment opportunities:** As a consequence of the globalization and agreements on agriculture, the agricultural producers especially younger generations, started to leave rural areas. However, since there is insufficient industrial structure, migrating to city centers caused significant problems in the subjects of employment, economic, cultural, and social areas. In the context of finding a solution for this problem, KÖY-KOOP provides job facilities to 85 people in milk collection centers.

Is income recorded?

Usually, informality is known as common in all economic sectors in Turkey. This can be considered as an obstacle to tax collection, so it can prevent investments by government. In the agricultural sector, informality is a bit higher when compared to other sectors, because of the agricultural policies. However, according to the financial office of government, whereas the total tax amount, paid by KÖY-KOOP in 2010 was 1,092,672,91 TL, it was 1,725,396,30 TL in 2013. In other words, KÖY-KOOP both increase income and record it. This is a reasonable contribution of KÖY-KOOP to the local economy.

Which Agricultural Extension and Training Program is Being Conducted?

The extension activity of KÖY-KOOP covers informing about the incentives of the ministry of food, agriculture and livestock, handling processes, providing inputs to cooperative members, marketing the products of cooperatives, direct extension and training activities. There are 2 ways of training activities, which are face to face communication and intensified training programs that continues for a week.

The intensified training programs are held two times per year, in Antalya city in Turkey and supported by German Cooperatives Federation (DGRV). 30-40 participants among cooperative administrators are chosen and trained by DGRV specialists, ministry of food, agriculture and livestock inspectors, and trainers by a consultant company.

The content of the training consist of the subjects such as introduction to cooperation, forming of entrepreneur cooperatives, personal competence, leadership, the accounting system of cooperatives in Turkey, authorization and responsibility of the board of inspectorate etc.

Are there training programs for female members of cooperatives?

Another kind of training program is held for female members of cooperatives. The sessions for women usually held in winter seasons, at the meeting room of milk collection centers. The subjects of the program can be categorized under three headlines. The first headline includes the situation of women in Turkey and in the World,
women’s rights, gender equality, sexual health, and hygiene. The second heading is cooperation and woman, incentives for rural development, entrepreneurship, leadership and woman. Finally, the third one is plant and animal diseases, milking techniques, hygiene of cowshed. Approximately 30 affiliates attend these training programs; certification is given to participants at the end of the program.

4.3 Relationships with the Ministry of Food, Agriculture and Livestock:
According to the law, the ministry of food, agriculture and livestock is the authority for agricultural cooperatives and cooperative unions. The ministry takes part at the plenary committee, reports about the committee, and takes the floor if it is necessary. The representative of the ministry is paid 75 TL per session, and his transportation handled by KÖY-KOOP. This makes collaboration become easier. The representative provides detailed information about incentives to the committee.

4.4 What Is The Evaluation of Participants Regarding the Success of KÖY-KOOP?
In table 2, education level, income, and satisfaction are examined. When interpreting by merging the participants, graduated from primary school, high school, and academy, the following results emerge: When the interviewees are asked if their income increased after joining the KÖY-KOOP, 92,2% of the participants, who graduated from primary school responded affirmatively, and only 7,8% of them stated that their income hasn’t increased. For the percentage of responding affirmatively among the interviewees, graduated from a high school or an academy is 96,65%. In brief, the difference between the primary school, high school, and the academy is 4,45%. In other words, there is no noticeable effect of education in evaluating KÖY-KOOP. Also, the number of participants, who claim that there is no increase in their income, is quite a few.

When satisfaction regarding activities of KÖY-KOOP was asked, 46,1% of the interviewees, who graduated from primary school responded as very pleased, while it is 34,6% among high school graduates, 55,9% for the academy graduates.

The affiliates, whose business size is between 0,1 and 5 hectares, are considered together. Whereas the percentage of the interviewees, who stated that their income level increased is 93,95%, this percentage increases 97,6% for the interviewees who possess between 0,51-10 hectares land. Also 86% of the interviewees who possess more than 10 hectares stated that their income increased.

It can be seen that percentage of being very pleased decreases as the business size grows. Being moderately pleased among small businesses is lower than the large businesses. Also, the number of interviewees who stated their less satisfaction is quite few. This shows that KÖY-KOOP is in a better communication with small business owners.

The results related with dairy cow number as following: The percentage of interviewees who do not have more than 20 dairy cows, and responded that their income increased is almost the same around 95%. However, this percentage declines to 85% for the interviewees, who possess more than 20 dairy cows. In satisfaction regarding the activities of KÖY-KOOP, 43,6% of the producers who have dairy cow between 1-10 stated that they are very pleased. The percentage for the interviewees who have dairy cows between 11-20 is 43,3%. For the producers who have more than 21 dairy cows, the percentage increases to 55%. Furthermore, 52,6% of the interviewees whose dairy cow number is between 1-10, 55% of the interviewees, possess dairy cows between 11-20, 40% of the interviewees who have more than 20 dairy cows mentioned that they are moderately pleased.

When the rise in income level is considered depending on the towns, 98,9% of the participants from Taşköprü, 87,7% from Central District, 90,9% from Daday, and 88,9% from İhsangazi mentioned that their income increased. It is clearly seen that all the percentages from different towns are very close to each other except Taşköprü with approximately 10% difference. This situation can be explained that the members of the cooperative in Taşköprü care about the quality of milk more than the members from other cities. Moreover, conditions for feeding are better in Taşköprü.

When satisfaction depending on the towns is considered, the percentage of very pleased members is 50% in Taşköprü, 46,2% in Central District, 27,3% in Daday, and 33,3% in İhsangazi. The reason of this situation can be explained as follows: The milk collection centers of the cooperatives in the towns other than Taşköprü established recently. As the milk marketers had already been a member of a cooperative before milk collection centers established, the producers haven’t noticed a reasonable difference yet. ANOVA test was applied; however significant situation couldn’t be attained since the criteria and the consideration rates of the interviewees are very close to each other.

5 Conclusions and Discussion
Conclusions and recommendations can be related with the phenomenon of globalization, the perception of Turkish government to cooperatives, and KÖY-KOOP. The inferences are categorized in four groups below.
5.1 Conclusions

Conclusions will be discussed in 2 dimensions. The first dimension is the globalization and agriculture, and the second one is related with KÖY-KOOP.

What are the conclusions regarding the ministries related with the globalization or cooperatives?

There is a very close relationship between the perception of globalization and Turkish governments to agricultural cooperatives since the governments of Turkey accepted the control of the globalization by the agreements they signed, as stated before. The following statements can be asserted regarding the globalization:

Obviously the globalization will keep its existence although the continuing effects of the crisis in 2008; however its former power will be diminished. It also seems that the trust in the globalization of its radical supporters is lesser than before.

There are 3 ministries, which are in charge of cooperatives. Initially, the perception of Ministry of Food, Agriculture and Livestock against cooperatives should be briefed. First, it takes cooperatives into account, only as a production instrument. Therefore, the ministry neglects the commercial function of cooperatives during the progress of globalization. Secondly, since the ministry regards the cooperatives as dissident communist institutions especially after the military coup in 1980, it hinders the activities of cooperatives, instead of supporting. For example, the ministry founded “producers union” as a rival to cooperatives. A part of the incentives to the agricultural producers are provided via the unions. Therefore, the producers have to join the “producers unions”, which are less contributive than the cooperatives. So, the development of cooperatives is hindered. As a solution, the Ministry of Food, Agriculture and Livestock should provide incentives directly through the cooperatives, so the cooperatives become more efficient and effective to contribute rural development. In this way, surviving will get easier under the harsh conditions of the globalization. As a result, the capabilities of the unit cooperatives in collaborating with each other, and marketing the products can develop. Furthermore, as this will financially strengthen KÖY-KOOP, the implementation of projects to assist affiliates of KÖY-KOOP can take place sooner. In this context, the following two statements can be advised:

There is a need of coordination in the regulations of cooperatives in order to make efficient applications (TÜSİAD, 2014). For innovation government incentives, also business models, which bring collaboration between public, private sector and cooperatives, should be applied in the agriculture and livestock sector.

Conclusions regarding KÖY-KOOP: The conclusions regarding KÖY-KOOP can be categorized under 4 headings: Assessment by cooperative members, communication problems, management and inspection of cooperatives, and agricultural training-extension activities.

Evaluation on the activities of KÖY-KOOP by cooperative members: There is a steady increase in the income level of the affiliates of KÖY-KOOP. The usual satisfaction level is either pleased or very pleased. There were no “less pleased” or “unpleased” interviewees in the research. Also, KÖY-KOOP is effective in the milk market. In brief, the education level, business size, dairy cow number of the cooperative members, or the district they live doesn’t affect the satisfaction level or increase in income significantly. The services that KÖY-KOOP provides gradually increased; so it affected the satisfaction of members positively. As the number of affiliates increases, both quantity and quality of the services of KÖY-KOOP will increase. It is possible that KÖY-KOOP becomes a power in national dimension in future. Subsequently, it can be claimed that KÖY-KOOP will be able to survive under the conditions of globalization without having much trouble.

Communication problems: Although face to face communication is common, there are relative communication problems both in the horizontal and vertical lines of the organization’s structure. Especially the managers of the cooperatives, who join training seminars, have difficulties in sharing the information and experiences they obtained. According to their assertion, the reason is the disinterest of the affiliates. Even the attendance to the annual conference is low. The members highly interested in the financial incentives of the Ministry of Food, Agriculture and Livestock, but not in any other subject. In this manner, the managers of the cooperatives don’t make much effort to share the information they acquired in the seminars. This disconnection causes failures in working.

The management and inspection of cooperatives, affiliated to KÖY-KOOP: There are certain problems related with inspecting the annual financial statement of the cooperatives. Firstly, most of the members of the board of inspectorate of the cooperatives have only graduation from primary school, and they do not have any information regarding the financial statements, which they are supposed to inspect. In this case, accountants are hired to handle the inspection. This expresses the existence of problems in general and financial management of cooperatives.

Furthermore, according to the law, Ministry of Food, Agriculture and Livestock has the authority and responsibility of inspecting cooperatives. Nonetheless, because of the insufficiency of inspector working in the ministry, not every cooperative can be inspected. In many cases, cooperatives are never inspected unless there is complain. Training the members of the board of inspectorate of the cooperatives could be a solution for the problem; however, since the members of board change every year, training cannot be efficient and permanent.
Recommendation: Recommendations can be mentioned on 3 points regarding their efficiency.

Firstly, the people who participate in extension projects of Kastamonu KÖY-KOOP should be trained about communication systematically and permanently. So, the communication between the managers and the members can be more fluent, and the transmission of information through the vertical and horizontal lines of the organization will be fixed. This way may contribute KÖY-KOOP to become institutionalize as well. In future, the transmission of information may be conducted via the internet. Currently, the administration of KÖY-KOOP has completed its database; for efficient usage of it, face to face training should be handled well at first.

Secondly, a library, which includes relevant books, and which all technician personnel and affiliates of cooperatives can benefit, should be established. In this way, both gaining reading habit among members and acquiring direct information may be possible.

Finally, as a requirement of the “Transatlantic Trade and Investment Partnership” and “customs union” agreements, Turkey has to allow other relative countries to get into its market. Nevertheless, Turkey is not capable to enter the markets of the agreed countries (Turhan ve Yalçın, 2014). Moreover, it is clear that the absolute membership of EU will not come true in the sooner future. By including agricultural products in the agreements properly, which means allowing Turkey to sell agricultural products freely, Turkey will be able to enter the markets of other countries; so this will help Turkey to increase its efficiency.

References

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