

THE PRIVATIZATION OF ALPULLU SUGAR FACTORY AS THE FINAL  
NAIL IN THE COFFIN: THE NEOLIBERAL TRANSITION IN BABAESKI  
VILLAGES

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KÜBRA ALTAYTAŞ

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---

Prof. Dr. Yaşar Kondakçı  
Director

I certify that this thesis satisfies all the requirements as a thesis for the degree of Master of Science.

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Prof. Dr. Ayşe Ayata  
Head of Department

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

---

Assoc. Prof. Dr. Galip Yalman  
Supervisor

**Examining Committee Members**

Prof. Dr. Ebru Voyvoda (METU, ECON) \_\_\_\_\_

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

Prof. Dr. Metin Özuğurlu (Ankara Uni, ÇEEİ) \_\_\_\_\_



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

Name, Last name: Kübra Altaytaş

Signature :

## **ABSTRACT**

### **THE PRIVATIZATION OF ALPULLU SUGAR FACTORY AS THE FINAL NAIL IN THE COFFIN: THE NEOLIBERAL TRANSITION IN BABAESKI VILLAGES**

Altaytaş, Kübra

M.S., Department of Political Science and Public Administration

Supervisor: Assoc. Prof. Dr. Galip Yalman

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This thesis has aimed at comprehending the transformation in agrarian relations with a focus on the privatization of Alpullu Sugar Factory. Its particular focus is the differential consequences of the neoliberal transition on the sugar beet producers living in the three villages of Babaeski, Kırklareli, Turkey. On the basis of semi-structured in-depth interviews, the changing conditions of the reproduction of labour has been examined in the light of their experiments. This transformation has been put into a historical perspective so as to understand the main dynamics on agricultural production with a special reference to the sugar sector. From a critical perspective, it is contended that the privatization of Alpullu Sugar Factory can be considered as the final phase of the transformation of these relations during the neoliberal restructuring process.

**Keywords:** agricultural transformation, privatization of SEEs, neoliberalism, agrarian relations, Turkish Sugar Factories Corporation

## ÖZ

### NEOLİBERAL DÖNÜŞÜMÜN SON ADIMI OLARAK ALPULLU ŞEKER FABRİKASI'NIN ÖZELLEŞTİRİLMESİ: BABAESKİ KÖYLERİ ÖZELİNDE BİR İNCELEME

Altaytaş, Kübra

Yüksek-Lisans, Siyaset Bilimi ve Kamu Yönetimi Bölümü

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Bu çalışmada Türkiye'nin Kırklareli ilindeki Babaeski ilçesine bağlı üç köyde yürütülen saha çalışmasına dayanarak, Alpullu Şeker Fabrikası'nın özelleştirilmesinin, neoliberal yeniden yapılandırma sürecinin bir parçası olarak incelenmesi amaçlanmıştır. Çalışma boyunca, üreticilerin geçimliklerini sağlama biçimlerindeki değişimler, emeğin yeniden üretim koşulları göz önüne alınarak tarihsel- kritik bir perspektiften değerlendirilmiş ve dolayısıyla çalışma, özelleştirme dönemine kadar olan süreci değişen devlet/piyasa/ tarımsal ilişkiler bağlamında şeker pancarı üreticilerin deneyimlerine odaklanarak ortaya koymaya çalışmıştır. Bu deneyimleri anlayabilmek için üreticilerle yapılan yarı-yapılandırılmış derinlemesine mülakatlardan faydalanılmıştır. Bu bağlamda, çalışmanın temel bulgusu şu şekilde ortaya koyulabilir: Alpullu Şeker Fabrikası'nın özelleştirilmesi neoliberal yeniden yapılandırma sürecinde, dönüşen devlet/piyasa ilişkilerin tarımsal alandaki son adımı olarak kendini göstermektedir.

**Anahtar Kelimeler:** tarımsal dönüşüm, KİT'lerin özelleştirilmesi, neoliberalizm, devlet/ tarımsal küçük üretici ilişkisi, Türkiye Şeker Fabrikaları A.Ş.

After our 17-years old friendship, Mine decided that one of the cutest babies in the world could join us. This thesis had been written with the thrill of waiting for him. So,

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## LIST OF ABBREVIATIONS

<b>ACCs</b>	Agricultural Credit Cooperatives
<b>AKP</b>	Adalet ve Kalkınma Partisi (Justice and Development Party)
<b>ARIP</b>	Agricultural Reform Implementation Project
<b>ASCUs</b>	Agricultural Sales Cooperatives
<b>ÇAYKUR</b>	Çay İşletmeleri Genel Müdürlüğü (General Directorate of Tea Products Enterprises)
<b>DIS</b>	Direct Income Support
<b>DP</b>	Democrat Party
<b>EU</b>	European Union
<b>GATS</b>	The General Agreement on Trade in Services
<b>GATT</b>	General Agreement on Tariffs and Trade
<b>HCSs</b>	The Number of Households Cultivating Sugar Beet
<b>IMF</b>	International Monetary Fond
<b>ISI</b>	Import Substitution Industrialization
<b>LoI</b>	Letter of Intent
<b>OEEC</b>	The Organization for European Economic Co-operation
<b>PANKOBİRLİK</b>	Pancar Ekicileri Kooperatifleri Birliği (The Union of Sugar Beet Producers)
<b>PCP</b>	Petty Commodity Production
<b>SAP</b>	Structural Adjustment Policy
<b>SEE</b>	State Economic Enterprise
<b>Şeker-İş</b>	Türkiye Gıda ve Şeker Sanayi İşçileri Sendikası (Turkish Sugar-Industry Workers' Trade Union)
<b>SPO</b>	State Planning Organization
<b>TEKEL</b>	Tütün, Tütün Mamülleri, Tuz ve Alkol İşletmeleri A.Ş. Genel Müdürlüğü (General Directorate of Tobacco, Tobacco Products, Salt, and Alcohol Enterprises)

<b>TRIPS</b>	Trade-Related Aspects of Intellectual Property Rights
<b>TSC</b>	Turkish Sugar Corporation
<b>TŞFAŞ</b>	Türkiye Şeker Fabrikaları A.Ş. (Turkish Sugar Factories JSC)
<b>TÜİK</b>	Türkiye İstatistik Kurumu (Turkish Statistical Institute)
<b>US</b>	United States
<b>WB</b>	World Bank
<b>WTO</b>	World Trade Organization
<b>ZMO</b>	Ziraat Mühendisleri Odası (Agriculture Engineers Chamber)

## CHAPTER 1

### INTRODUCTION

The neoliberal restructuring of the Turkish sugar regime was put onto the agenda with claims that the old sugar regime was a burden on the national budget due to the chronic problems of the domestic agricultural structure. It was announced that sugar beet production had been maintained by small-size farmers such that it gained a fragmented nature as the main obstacle to building an organized and well-functioning market. Therefore, the efficiency and sufficiency of sugar beet production always remained below that of the global sugar market (SPO, 2001, pp. 39-40, 60-3). An amendment to Sugar Law No. 4634 was approved on 4 April 2001, ensuring less state control and more room for private initiatives in the Turkish sugar market to solve the problems of the old sugar regime. It also opened the way for the privatization of sugar factories to provide a legal background for the main promises of the new sugar regime.

In this sense, the old sugar regime and the new were both shaped within the context of different phases of state/agricultural relations. This differentiation between the pre-2001 and the post-2001 periods should be identified within a historical context. The State Planning Organization's report on the new trends in sugar policies indicated that the main determinant of the post-2001 sugar regime was the standby agreement with the IMF in 1999 (Kıymaz, 2002, p. 69). Furthermore, the report underlined the impacts of the 1994 currency crisis on agricultural prices and the obligations of WTO membership as the other significant pillars of the new sugar regime. In this sense, it can be said that while the old sugar regime was formed under GATT agreements with a high level of protection in the national market with quotas and tariffs, the new one was shaped in response to the necessities of free market conditions (ibid, pp. 19-23).

It is obvious that the transformation in the sugar regime was designed under the guidance of international agents. The abovementioned standby agreement



brought about radical changes in the structure of sugar policies. The existing supporting mechanisms were replaced with direct income support (DIS), and for the first time in Turkish history sugar beet lost its protected status for agricultural producers. The credit mechanisms of Ziraat Bank and Halk Bank to support agrarian producers were radically reduced as per the directions of the IMF. Finally, it was recommended that the monopoly of the state in the sugar sector be removed with the privatization of the Turkish Sugar Corporation (TSC) from the sector via the privatization of sugar companies (IMF, 1999).

As a result of these close relations between the international agreements and the transformation of the sugar industry, studies on the changes in the Turkish sugar market have mainly focused on the internationalization of national agriculture and its impacts on the sugar market (cf. Fedai, 2016, p. 461; Yılmaz, 2008; Abay et al., 2005; Kendirli, 2018). Aydın (2010, p. 163) explains the ongoing transformation with the articulations of four forces on the national sugar market, and these are Cargill as the US giant, the IMF, the World Bank, and the EU, especially with the promises made at the Helsinki Summit. Pressures coming from these agents have shaped the national sugar structure with (i) the elimination of import barriers on sugar, (ii) provision of flexibility in starch-based sugar (SBS) production in competition with sugar beet-based sugar production, and (iii) market-determined sugar beet prices depending on free contracts between the sugar beet producers and private sugar factories as opposed to state-determined prices.

Furthermore, “the Turkish state has played a significant role in this by enacting a judicial infrastructure” (Aydın, 2010, p. 168). For the trajectory of the producers in this collaboration between the Turkish state and international agents, it can be assumed that “the state washes its hands of the poor and middle-level farmers. ... [and with] each wave of new deregulatory policies, more and more farmers have been pushed into the deep end” (ibid, p. 181). Producers have thus faced massive indebtedness due to the elimination of the state and diffusion of the private sector in the sugar market. They have tried to survive against this

collaboration by increasing the self-exploitation of their labour in agricultural production, and by diversifying their economic activities.

Indeed, the particular focus on the internationalization of agriculture in the neoliberal era marks a specific shift in the ongoing debates on agrarian relations. While “whether ‘peasants’/‘peasantry’ constitutes a specific single (and singular) social entity – formation, type, class, etc. – across different modes of production and historical epochs” (Bernstein and Byres, 2001, p. 4) was at the heart of the discussions during the 1960s and 1970s, studies focusing on “conflicting assessments of the balance of forces in an age of neoliberal globalization” with “a level of intense debate within political economy” (Akram-Lodhi and Kay, 2010, p. 269) came into prominence in the late 1970s. For one path in the current approaches, “the premise is that contemporary internationalization is substantively different and therefore calls forth new institutional forms of global co-ordination and regulation” (Goodman and Watts, 1994, p. 4), such as the so-called corporate food regime.

The abovementioned studies on the Turkish sugar regime follow the theoretical assumptions of food regime analysis. The existing literature on the neoliberal transformation of the sugar market is thus based on a structural perspective defining three analytically different but mutually dependent types of relations: (i) state-to-state relations from an international perspective; (ii) transnational economic processes as embedded into commodity circulation and capital movements; and (iii) intra-nation relations in terms of changing class and sectoral structures (Friedmann, 1982, pp. 251-256).

As a result of the articulation among these relations, food regime analysis identifies the ongoing changes in agrarian relations with a shift in the global economy from the mercantile-industrial food regime to a corporate food regime (McMichael, 2009, pp. 281-3). The mercantile-industrial regime implies a capital-intensive form of agriculture under the protection of US-sponsored aid programs like the Marshall Plan between 1945 and 1973. The patterns of the Fordist model of capital accumulation were thereby followed to pursue ‘national development’ as a

way of integrating with the global market in the Third World. Hence, states acted to reform the national markets according to the needs of the transnational economic order (McMichael & Myhre, 1991, pp. 89, 92). In this regard, “the Turkish state acted as the guardian or manager of national development between 1950 and 1980” with the directions of international agents to sustain vertical integration of the national market under the protection of state-led programs (Aydın, 2010, p. 150).

The corporate food regime represents a neoliberal rupture in the global economy starting from the 1980s up to the present.<sup>1</sup> It explicitly implies “neoliberal liberalization via structural adjustment mechanisms and WTO rules encouraging universal agroexporting and requiring states in the global South to open their economies to the Northern-dominated international food trade” (McMichael, 2012, p. 682). It is assumed that the neoliberal transformation of Turkish agriculture is compatible with the patterns of the corporate food regime. On the one hand, the interventions of the IMF, WB, and EU forced the Turkish state to act with the neoliberal restructuring of the national agricultural market; on the other hand, the WTO drew the new rules of international trade. In other words, while the state is removed from the production of industrial crops, the obligations coming from WTO membership provide the openness of the national market to international investments (Keyder and Yenil, 2018, pp. 196-205). Hence, the transformation in the Turkish sugar sector is adopted into the structure of food regime analysis with the conclusion that the new sugar regime is prepared with the pioneering roles of international organizations to be adequate with Turkey’s role in the global agricultural structure (Bıyık and Atabey, 2017).

Although food regime analysis successfully emphasizes a descriptive schema to show the transformation in agricultural markets, its explanatory adequacy in relation to its methodological assumptions must be further discussed. The roots of this analysis invoke an ongoing discussion on the approaches to state/market duality

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<sup>1</sup> Friedmann (2005) also defined emerging food regimes by calling them corporate-environmental food regimes under green capitalism. However, this is an ongoing debate in food regime analysis.

from either a state-centred or a society-centred approach. For the state-centred approach, “the state is a force in its own right and does not just serve the economy or civil society” and so “state activities and impacts [are] easily explained in terms of their own distinctive properties as administrative or repressive organs” (Jessop, 2001, p. 153). From a critical perspective, this implies a conception of the state as an entity with transcendental logic, being autonomous from social interests and pursuing specific goals for the society and the economy (cf. Skocpol, 1985, p. 8).

However, a comprehensive critique of state/market duality calls for an analysis of the changes experienced in the context of neoliberal transformation. In this sense, the methodological premise of this analysis can be summarized as follows: “the state and the economy do not ‘exist’ as externally related entities, one of which is determining and/or dominating the other. For, in the neoliberal era as ever, state power is integral for the constitution and the reproduction of the market economy as a ‘form’ of the capitalist relations of production” (Bedirhanoglu and Yalman, 2010, p. 108). Consequently, this analysis recognizes an integral approach to state/market/society relations, going beyond the misleading dualities reproduced by the so-called state-centred and society-centred approaches.

Based on such a methodological premise, Bernstein (2015, p. 10) provides a critique of food regime analysis by referring to its structural and capital-centric perspective. As a result of that structural perspective, pre-given and inevitable roles for states are defined in the global order. In other words, states are already conceptualized as passive actors in market relations. As a result of the capital-centric perspective, phases in capitalism are defined by the notion of capital, removing the dialectic between labour and capital and failing to account for the dynamism in the transition process with regard to this dialectic. As a result, it presents a path-dependent transition process. This type of analysis is criticized for defining the ‘market’ and the ‘state’ as entities independent of social relations (Bernstein, 2016, p. 638).

Following Bernstein’s critique, this thesis attempts to transcend the conceptualization of state/market relations as independent of social relations. It is

assumed in this study that the historical specificity of capitalism can be characterized by the separation of the economic and the political. However, this separation does not signify the autonomy of the state and the market as independent realities, representing different realms. Rather, the economic and the political are categorical separations in the capitalist mode of production. That is, this separation occurs at a particular historical moment with the shift from feudalism to capitalism and with the separation of labour from its means of production and the selling of labour power as an obligation for the labourers to maintain their subsistence (Poulantzas, 1978, pp. 26-33, 123-5; Gerstenberger, 1978, pp. 149-150). Therefore, “the social relations in which this economic mechanism is embedded – which indeed constitute it – are treated as somehow external. At best, a spatially separate political power may *intervene* in the economy, but the economy itself is evacuated of social content and depoliticized” (Wood, 1995, p. 21).

On this basis, it can be assumed that neoliberalism tries to reformulate this separation with the claim of the reduction of state interventions in the market and to depoliticize the economy again, as opposed to the pre-1980 period. Neoliberal restructuring entailed the promise of ten policy reforms<sup>2</sup> in the economic realm with “the introduction of Washington Consensus policies [which] is usually seen as a shift from state-led dirigisme to market-oriented policies” (Gore, 2000, p. 790). In the context of these reforms, “state-led dirigisme” can be read as the leading role of the state under import substitution industrialization (ISI), while market-oriented policies seem to imply liberalization in market relations with the reduction of “large and inefficient state-owned enterprises and much repressive state regulation of private business” (Williamson, 2004, p. 197).

In parallel with this reformulation, the neoliberal restructuring in the case of Turkey seems to be conceptualized as “a replacement of a traditional statist system by a market system” (Yalman, 2009, p. 7). It can thus be claimed that the reduction

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<sup>2</sup> These reforms are fiscal discipline, reorientation of public expenditures, tax reform, financial liberalization, unified and competitive exchange rates, trade liberalization, openness to direct foreign investment, privatization, deregulation, and strengthening of property rights (Williamson, 1990).

of the state monopolies in the agricultural sector with the promotion of market-based reforms was advocated as a continuation of this perspective (cf. Celasun and Arslan, 2001). However, rather than reformulating this separation between the state and market, this study will assume that the impacts of this restructuring on agrarian relations can be understood “by investigating [the peasants’] conditions of existence, and reproduction, through the categories of the capitalist mode of production: the social relations, dynamics of accumulation, and divisions of labour of capitalism/imperialism” (Bernstein, 2003, p. 4).

From this standpoint, it will be contended that the shift in the Turkish sugar regime implies an accompanying process of transformation in social relations. To evaluate this hypothesis, the privatization of the Alpullu Sugar Factory as the final step of neoliberal transformation in the Turkish sugar sector has been chosen as the case study in this thesis. With this aim, field research was conducted over thirteen days in July 2018 in three different villages, Büyükmandıra, Pancarköy, and Düğüncülü, in the province of Kırklareli.

The unique situation of the Alpullu Sugar Factory is clear from the SPO report on the 2001 decision to privatize it. In that report, five factories, in Alpullu, Elazığ, Kars, Malatya, and Susurluk, were identified with a strong possibility of shutting down due to inefficiencies in terms of their technical capacities and the imbalances in their profit and loss accounts (Kıymaz, 2002, pp. 70-5). However, among these five, only Alpullu was included in the privatization package of February 2018. Furthermore, Alpullu can be differentiated from other privatized factories by the uprising that occurred there in protest of the privatization. Although Alpullu is a small town with a population of 2286, the privatization decision triggered a wider local protest with the participation of nearly 5000 people articulating different demands, such as the benefits of the sugar producers, the importance of beet sugar for public health as opposed to SBS products, anger towards Cargill, and the impact of the decision on the sugar market (Evrensel.com, 23 February 2018).

Geographical location was the main determinant for the selection of the villages in the field research. The Alpullu Sugar Factory is surrounded by Büyükmandıra, Pancarköy, and Düğüncülü, the three nearest villages to the factory in the region. Büyükmandıra is a municipality of the district of Babaeski, Kırklareli, located approximately 6 km away from the factory, while Pancarköy and Düğüncülü are villages of Babaeski, respectively located approximately 2.8 km and 3 km away from the factory.

Before visiting these villages, interviews were organized in Ankara with the two senior managers of PANKOBİRLİK, a cooperative organization for sugar beet cultivators, to obtain information about policies in the sugar market. Similar interviews were conducted with two local representatives of Şeker-İş in Alpullu. Furthermore, the interviews with the locals were done in Sinanlı village, Babaeski to understand the impacts of the transition process in the region. In light of these interviews, the main question of this thesis was first formulated as follows: How and to what extent has the decision to privatize the Alpullu Sugar Factory affected the sugar beet producers in Büyükmandıra, Pancarköy, and Düğüncülü?

In-depth and semi-structured interviews were subsequently conducted in the villages within the framework of that main question; these were mainly group interviews, but some one-on-one interviews were also held. In general, the conditions in the villages did not facilitate a one-on-one format, and it was furthermore observed that group interviews were adequate for obtaining in-depth information by encouraging spontaneous debates between the producers. Overall, the field research was organized around interviews with nearly thirty producers in Büyükmandıra over the course of five days, with more than twenty producers in Pancarköy over five days, and with almost twenty producers in Düğüncülü over three days.

These interviews revealed that the initial question of the thesis needed to be reframed within the specific context of the social dynamics of these villages. As will be discussed in the following chapters, the privatization of the Alpullu Sugar Factory is considered as the final step in a transition process, and this process should

be understood on the basis of a historical comparison between the experiences of the pre-1980 period and the post-1990 period. Therefore, this study seeks a better understanding of this process as embedded into the social relations organized around the Alpullu Sugar Factory, shifting away from the original main question, because the privatization of Alpullu can be put into context with regard to the changing forms of relations between the factory and the producers.

With this aim, Chapter 2 addresses how the relations between the factory and the state took different forms from the beginning with the factory's establishment until its privatization. The particular aim of the chapter is to provide a general perspective on how and in which ways the producers and the factory have interacted with each other until the present. However, to the extent that the Alpullu Sugar Factory had been a state economic enterprise (SEE) since 1935, it cannot be understood independently of state/society relations. Therefore, Chapter 2 also explores to what extent and how the relations between the Alpullu Sugar Factory and the sugar beet producers were shaped within the framework of state/society relations, and then, if any differences between the general form of state/society relations and the state/sugar producers relations do exist, they will also be explained. Pursuing these aims, the chapter is divided into two subsections, following the main dynamics and ruptures in these relations. The first subsection begins with the construction of the Alpullu Sugar Factory. After that, the etatist period will be investigated, and finally, the ways in which these relations took form under the strategy of ISI will be outlined. This subsection is particularly important because the abovementioned "old" sugar regime was shaped in this period. In the second subsection, the neoliberal rupture in state/society relations in general and in state/sugar beet producers relations in particular will be discussed. First, the implications of neoliberal transformation of state/society relations will be clarified. The international dynamics in the agrarian market will then be explored in more depth. The importance of this subsection lies in identifying under which general conditions the neoliberal rupture in state/agrarian relations occurred. After that, the particular impacts on the sugar market will be presented.



Chapter 3 and Chapter 4 focus on the experiences of the sugar beet producers in Büyükmandıra, Pancarköy, and Dügüncülü. The main concern in Chapter 3 is to explain how the historical background drawn in Chapter 2 was concretized within the circumstances of these villages. The chapter comprises four subsections. First, the general framework at Alpullu will be summarized. After that, the main dynamics in Büyükmandıra, Pancarköy, and Dügüncülü will be outlined, and the impacts of the transition from ISI to a neoliberal accumulation strategy will be described with the support of statistical data. Chapter 3 will further define the main reasons for differentiation among the producers, the conditions of disintegration, and the elimination of sugar beet production in order to supply the necessary background for Chapter 4. In Chapter 4, the main focus will be the post-1990 period. The aim of this chapter is to show that while a drastic change occurred in the balance of forces in the state structure with full liberalization in the capital movement during the post-1980 period, labour was treated unfavourably and finance capital asserted its dominance in the policy-making processes in the sugar market. Direct income support and the quota system were the consequences of this change for sugar beet production. The privatization of debt instruments will be the other critical focus of this chapter. Accordingly, this chapter will explore the contextual social conditions under which the Alpullu Sugar Factory was privatized as the last nail in the coffin in the course of neoliberal restructuring in the sugar market. The reason for emphasizing privatization as the symbolic ‘last nail’ is also addressed in this part of the chapter.

In the final chapter, concluding remarks on the privatization of the Alpullu Sugar Factory in the context of the changing social relations in the villages will be presented. Although the particular focus of this study is the privatization, this should not be perceived as merely a conjunctural moment in the transition process. As succinctly explained by Wright, conjunctural analysis need not “be a ‘snap-out’ situated statically in time and space. The point is that conjunctural analysis includes the operations of contingent details and historically specific processes that are

untheorized at the level of social formation and mode of production” (Wright, 1985, p. 17).

## **CHAPTER 2**

### **PUTTING ALPULLU SUGAR FACTORY IN HISTORICAL PERSPECTIVE**

This chapter aims to analyse the changing forms of the relationship between the Alpullu Sugar Factory and the sugar beet producers. To the extent that sugar policies cannot be considered separately from state/market relations, these relations are explored under the specific historical circumstances from a critical perspective. In this respect, the chapter comprises two parts with regard to the main ruptures in the relations between the state and the sugar beet producers. The first part of the chapter will discuss the dynamics of the pre-1980 period and the second part will focus on the neoliberal transformation of the post-1980 period. In this way, the chapter provides historical background for the forthcoming discussions in Chapter 3 and Chapter 4.

#### **2.1. From Etatism to the Import Substitution Industrialization: A Brief Summary of the State/ Agrarian Relations until the Neoliberal Era**

Until the 1930s, the economic agenda of the newly established republic entailed articulation with the global market via open market policies and free trade relations aiming at the expansion of agricultural commodities (Keyder, 1981, pp. 5, 12). Two significant determinants in the economic conditions of the pre-1930 period drove the economic agenda through open market policies. First, the 1923 Congress of Economics as the keystone of the economic program was shaped by the constrictions of the Lausanne Treaty, which prohibited any protection mechanisms on custom walls and tax regulations to promote national production and to avert concessions on import goods (Boratav, 2005a, p. 40).

The second determinant of state/market relations during this era was the absence of industrial and financial sectors together with a high level of dependency on agricultural production. In 1923, 10.3 million of the total population of 13.6 million lived on subsistence agriculture in rural areas (Köymen, 2008, p. 109). This situation created two limiting effects on the economic agenda. On the one hand, the existing imbalance between agricultural and non-agricultural sectors restricted the development of any alternative strategies to become a part of the international trade order. The only change seemed to be agricultural exportation in the world trade system and the exchange of the agricultural surplus for manufactured goods (Keyder, 1981). On the other hand, the dominance of the agrarian sector caused an increase in the power of commercial growers in terms of forming state policies through the expansion of agricultural trade (Birtek and Keyder, 1975, pp. 450-2). Hence, while open market policies worked in favour of this commercial class, the backwardness of the financial and industrial sectors at the national level during this era closed any channels to develop an alternative strategy for articulation with the global market.

With the beginning of the Great Depression in 1929, a new phase began for the national economy with a closed structure under restrictions on foreign trade and protections of essential consumer goods due to the radical decline in the price of agricultural commodities, an atmosphere unfavourable to sustaining foreign capital and obtaining credit, and constriction in international liquidity (Pamuk, 2008, p. 387; Okyar, 1979, p. 327). Moreover, a new tariffs program shaped by protectionist measures could be established with the end of the restrictive provisions of the Lausanne Treaty about customs arrangements. This protectionism underpinned 'etatism' as the first doctrinal development strategy and the official ideology of the young republic as declared at the 3<sup>rd</sup> CHP Congress in 1931 and actualized with the 1<sup>st</sup> Industrial Plan in 1934 (Tekeli and İlkin, 2009, p. 1).

Ercan et al. (2008, p. 226) summarize the uniqueness of the Etatist period in terms of its capital accumulation strategy with two features: (i) the transformation of the traditional agrarian structures and (ii) the emergence of the preconditions for

industrial capital. It can be assumed that the economic policies during this era reflected three main trends in line with these features. First, the policies were orchestrated to integrate national agriculture with the global market. Second, the agricultural surplus was transferred to infrastructural investments (Keyder, 1983a, p. 72). Third, while the private sector operated on commerce, the public sector provided the financial and manufacturing necessities in the agricultural market (Tekeli and İlkin, 2009, pp. 77-8).

Regarding the first of these trends, namely the integration of national agriculture with the global market, subsistence agriculture had been dominant in the country between 1923 and 1930 and, as a result, the links between producers and the market were quite weak and agricultural production was maintained within a relatively closed structure. The promotion of an export-oriented agenda in agriculture became the main policy to open this structure (Birtek and Keyder, 1975, pp. 450-2). Furthermore, the domestic credit expansion for merchants after 1925 provided a basis for this agenda with the establishment of national banks (Keyder, 1983b, p. 140). However, the impacts of the Great Depression weakened its sustainability due to the sharp decline in agricultural prices.

The lack of mass production as a result of technological backwardness was defined as the main obstacle for the integration of national agriculture with the global market. Between 1926 and 1930, 6.6 million TL of credit was distributed by Ziraat Bank to encourage tractor purchasers (Keyder, 1981, p. 27). However, the impacts of the economic crisis also affected this policy. On the one hand, state subsidies were reduced radically; on the other hand, agricultural producers could not obtain sufficient income to repay their lines of credit (Tekeli and İlkin, 2009, pp. 16-7). As a result, mechanization via private initiatives was not sustained under the crisis conditions. The policies of the post-1930 era then had to focus on the infrastructural and machinery needs of agricultural production.

According to Tekeli and İlkin (2009, pp. 15, 332), the impacts of the crisis on producers can be considered from two perspectives. For the market-oriented producers, the general tendency was that production was maintained by borrowing

from Ziraat Bank, usurers, or merchants. When the prices of agricultural products radically dropped, these producers had to sell more products each year to pay their debts. However, increases in sales were not possible under the crisis conditions and so their lands began falling into the hands of usurers and merchants. On the other hand, the producers who practiced subsistence agriculture remained relatively protected against the effects of fluctuations in the market since their production did not directly depend on market conditions.

Although the Great Depression primarily affected commercial producers and big landowners, state policies concentrated on infrastructural, industrial, and machinery investments in the agricultural sector during the Etatist era. In other words, although the crisis primarily affected market-oriented agriculture in the domestic economy, the resources of the public sector did not cover the losses in that sector. Rather, the economic activities of the state engaged the sectors in which private capital had not already accumulated. Tekeli and İlkin (2009, pp. 77-8) underline this situation with the third of the aforementioned three trends of agrarian policies during this period. In this segment of the economy, the state acted in the sectors in which private capital was already weak.

This situation provides a starting point for reconceptualizing the state as a field of conflict between different classes with the concrete example of the dynamics of sugar market policies. The sugar industry launched its production in 1926 in Uşak and Alpullu in the hands of private companies founded with large state subsidies. Until 1926, neither the state nor private companies produced sugar domestically; only small artisanal shops existed and the majority of the sugar demand was met by importation (Türk, 1957, pp. 23-4). Until the Great Depression, the state guaranteed a high level of profit for private initiatives rather than ensuring cheap consumption in the national market with Sugar Law No. 601 enacted in 1925. The law included the initiatives exempted from the land tax and production tax for the next ten years. The needed fields for the construction of factories were endowed by the state at up to 10 to 15 decares; the quarries to be operated for the production of the coal, lignite, and lime needed by the sugar factories were also exempt from

taxes during the concession period granted to the sugar factories (Mert, 2018, pp. 187-8).

The private initiative for the Alpullu Sugar Factory was shaped by the cooperation of F. Kaltakkıran, F. Öztrak, and Ş. Kesebir, all of whom were CHP deputies at the time, with İş Bank and Ziraat Bank (Boratav, 2006, p. 119). If we particularly focus on the changes in peasant life in the areas surrounding the Alpullu Sugar Factory, we can observe a radical transformation in subsistence for every neighbouring village. Between 1926 and 1927, 5,688 decares in Babaeski, 2,557 decares in the central district of Kırklareli, 1,990 decares in Lüleburgaz, and 139 decares in Vize were cultivated. These statistics, reported at the 1931 Agriculture Congress, were important in two regards. First, the cultivated area around Alpullu reached 50,000-60,000 decares at the end of 1931 and the cultivation had been maintained by approximately 11 daily agricultural labourer per field. Furthermore, the labour requirements of the factory would be added to the expansion of job opportunities in the region (Damlıbağ, 2017, p. 143). Hence, the introduction of sugar beet farming had a direct positive impact on employment.

However, the cooperation between the private initiatives and the state regarding the establishment of sugar factories was ruptured in the period following 1929. It can be assumed that, on the one hand, the monopolization tendencies in the sugar market due to the state privileges of some interest groups was already being criticized in the internal market; on the other hand, the profitability of the sugar factories had radically decreased (Boratav, 2005a, pp. 47-8). Boratav (2006, p. 120) stresses that sugar production and sugar imports were run by the same interest groups until 1930. They had the opportunity to speculate on the price of sugar in the internal market by applying two different strategies. If the tariffs on sugar were high, these groups would increase sugar beet production in the internal market. However, if the importation of sugar was less costly than its production, they tended to restrict internal production and to increase the importation of sugar.

In a report of the İstanbul Chamber of Commerce and Industry, the reactions towards the existing sugar policies between 1923 and 1926 can be observed. The

report assumed that the monopolized control on the prices in the sugar sector was the main reason behind the bankruptcies of the traditional traders in the agricultural structure. This situation occurred as a result of the privileges given to special groups by the state due to the existing policies in the sector. While the state did not make any guarantee of supporting traditional traders, these privileged groups remained under the umbrella of state protections. Furthermore, the existing sugar policies were shaped under the pressure of these groups and so the state essentially functioned as their protector (Mert, 2018, p. 191).

These reactions to the existing sugar policies were articulated with the price pressure arising from the Great Depression. It can be assumed that while these policies were the particular consequences of the period between 1923 and 1929, the changing conditions at the global and national levels prevented the continuity of these policies under the impacts of the depression (Gülalp, 1985, p. 333). In this atmosphere, the 22% private ownership of the Alpullu Sugar Factory was sold to the state with the establishment of the Turkish Sugar Factories (Türkiye Şeker Fabrikaları A.Ş.: TŞFAŞ) in 1935 (Eyüpoğlu, 1967, p. 18). It can be assumed that the foundation of the TŞFAŞ was the response of the state to these changing conditions. Birtek (1985, p. 414) notes that “the state industries could not act as true monopolists. They could not cut down their physical output in order to maintain high monetary returns, as true monopolists would have done, but kept the level of physical output steady and sacrificed profits”. The dominance of commercial interest groups concerning the price conditions of the pre-1929 period lost its impact on the economic agenda. In this regard, the export-oriented agricultural policy dissolved (Keyder, 1983a, p. 71). At the same time, the privilege of these groups was reduced with the full control of the state sector in the sugar market.

For the agricultural producers, the Etatist period represented a rupture in their agricultural habits in two main ways. First, the producers mainly continued with subsistence agriculture. However, sugar beet was not cultivated for consumption necessities; rather, it was an industrial crop directly produced to be sold in the market (ZMO, 2018, cf. TSC, 2018, p. 23). On the other hand, sugar beet



was an unknown crop in traditional agriculture, meaning that practices such as planting and harvesting it were foreign to these producers. As a result, the relationship between the producers and the state was transformed with the consultation and assistance of state personnel to expand sugar beet cultivation.

Tekeli and İlkin (2009, pp. 127-8) note that sugar factories played a very active role in transforming the old habits of agricultural production. To encourage sugar beet farming in these early years, the state not only provided the means of production and the technical assistance for the peasantry; it also implemented a policy of high purchasing prices. In 1934, 64,000 farmers were producing sugar beet on 32,500 hectares and all of them were receiving financial support from the state in the form of an advance of 6-10 TL per each decare sowed with sugar beet. Moreover, during this period, the sugar factories distributed the main tools of agricultural production to producers, such as rakes and pitchforks and the factories also purchased modernized and technological equipment such as tractors to be used by the producers. Therefore, in this period, the producers were meeting the state ‘directly’ via the activities and policies of the sugar factories.

For the producers affiliated with the Alpullu Sugar Factory, the existence of the factory in the region and the expansion of sugar beet farming positively affected their crop yield. The increase in yield was directly related to the educational role of the factories. Under the factories’ guidance, well-educated Turkish agricultural engineers were in direct contact with the producers as part of an educational campaign. Moreover, channels for the application of modern agricultural techniques were opened, again with factory leadership (Damlıbağ, 2017, p. 142). In this regard, the general situation at Alpullu in this early period was quite similar to that in other regions in which sugar factories were constructed. It can thus be generally stated that while sugar beet had formerly been an unknown crop in the cultivation practices of subsistence agriculture, it started to become prevalent under the guidance of the state.,

With the collapse of Etatist policies at the end of the 1940s, the economic agenda was reframed on the basis of an open market economy by the Democrat

Party (DP) until 1960. In terms of state/agrarian relations, the period between 1950 and 1960 can be summarized with two main points. First, the main strategy during this period was agrarian-based integration with the global economy under the equilibrium of compromise between the agrarian classes, including both big landowners and the peasantry, and the commercial bourgeoisie against the bureaucratic cadres (Keyder, 1987, p. 123). Secondly, assistance via the Marshall Plan entered the stage as the starting point of the inevitable participation in global capitalist agreements on agricultural trade (Öniş, 2010, p. 50).

The mechanization of agriculture gained speed as a part of the Marshall Plan, directly creating positive impacts on the agricultural outputs. The cultivated area rapidly increased due to the extension of tractor usage from 16 million hectares in 1950 to 22.8 million hectares in 1955, reaching 25.3 million hectares in 1960. The introduction of modern farming techniques such as pesticide usage further affected the growth of agricultural production (Olgun, 1989, pp. 384-5). Moreover, between 1950 and 1960, state-owned lands were distributed to 312,000 families to open those areas to agricultural production while strengthening family-based small farming (Keyder, 2015, pp. 157, 164).

Turning more specifically to the sugar industry, the level of sugar production in 1950 was 850 thousand tonnes, and it reached 4,385 thousand tonnes in 1960 (T.C. Ministry of Development, 2015, p. 215). The “Extension Program in Sugar Industry” was introduced in 1951 and 11 new sugar factories were founded, increasing the total number of sugar factories to 26 between 1951 and 1956 (Şeker-İş, 2013, pp. 145-6). The expansion of sugar beet production throughout the country became beneficial for small producers in terms of economic gain, serving to move beyond subsistence agriculture and also assist in the development of animal husbandry with the help of sugar beet waste products (Eyüpoğlu, 1967, p. 19).

However, the favourable prices of agricultural commodities that had arisen due to the impacts of the Korean War came to an end, and the free market policies could not be continued with the foreign exchange crisis that occurred in the mid-1950s and the IMF-sponsored stabilization program in 1958 (Pamuk, 1981, pp. 27-

8). Furthermore, although the DP had gained power with the promise of transferring public enterprises to the private sector, public investments during this period were in fact extended (Boratav, 2005a, p. 108). Thus, “the experience of the 1950s seemed to have brought a new dimension to the ways in which the idea of planning was debated” (Yalman, 2009, p. 216).

In line with OEEC and IMF recommendations in 1956 to protect the stability of domestic markets, the State Planning Organization (SPO) announced a five-year development plan. Import substitution industrialization (ISI) was now on the agenda to provide capitalist development with the expansion of the domestic market as part of an inward-oriented strategy during the 1960s and late 1970s (Akçay, 2007, pp. 52-4, 66-7). Two main responsibilities of the state can be described during the ISI period in Turkey: distribution of scarce resources, especially regarding credits and foreign currency, by using political mechanisms, and the ensuring of the redistribution of income to create and sustain an internal market (Boratav, 2005a, pp. 124-5).

Hirschmann (1968, p. 6) defines ISI as a learning process fostered by developed capitalist countries to produce consumer goods as the primary aim and then, in its advanced stages, to manufacture intermediate goods in the internal market. Therefore, the creation of new industries for consumer durables on the basis of planned strategies is the main idea of ISI and the production of immediate and capital goods follows. In parallel to this strategy, the public sector provided infrastructural necessities and raw materials for the production of consumer goods in Turkey and industrial production increased during this period. Its share was 30% in 1962; this became 48% in 1967 and reached 49% in 1972; and, by 1978, the share of industrial production had become 63% in Turkey (Ercan, 2002, p. 63). It can thus be concluded that the resources of the public sector were transferred to the private sector during this period (Ercan, 2002, p. 62).

The internal terms of trade for agricultural products as compared with industrial products were now in favour of agriculture; there was no transfer of resources from agriculture to industry in this respect. The agricultural sector

consistently remained under the protection of the state in these years (Ercan, 2002, p. 67). During this period, surplus agricultural production was bought by the state via state economic enterprises (SEEs) in agrarian relations, such as the agricultural sales cooperatives (ASCUs), TEKEL, TŞFAŞ, or ÇAYKUR. Thus, the state's purchase prices for agricultural crops were kept above the global market prices (Boratav, 2005a, p. 125).

In this sense, the state was directly engaged with agricultural development as the guardian of a developmental project to sustain the vertical integration of the national market under the protection of state-led programs during the ISI period (Aydın, 2010, p. 150). Improvement in the economic power of small producers was determined as a national aim and the establishment of state cooperatives to provide direct relations between producers and the market was promoted (SPO, 1962, p. 351). Development plans also focused on capital-intensive agricultural production, guaranteeing that high levels of state support for mechanization, fertilizers, pesticides, and improved seeds were provided (Pamuk, 2009, pp. 68-9). Moreover, this mechanization in agriculture was quite rapid: the number of tractors in agriculture was 1,750 in 1950, while it was 42,000 in 1960 and reached 469,000 at the end of the 1970s (Özalp, 2002).

Within this framework, two important consequences of the state policies of this era can be determined in the agrarian structure. First, with the impacts of mechanization in agriculture and industrialization in urban areas, the ratio of rural to urban population was radically changing and the rural population started to lose its demographic power. In 1945, the population was 75% rural to 25% urban, but by 1980, it had become 44% rural to 56% urban (Gürel, 2011, p. 241). Second, although family-based small farms remained dominant in agricultural production, the integration of these farmers with the capitalist market intensified in this era. Ecevit (1999, p. 242) notes that the uniqueness of the developmentalist period in Turkey is due to the fact that two different types of mode of production were articulated with each other. On the one hand, agricultural producers continued their subsistence by family-based small farming with petty commodity production (PCP).

On the other hand, capitalist relations were already generalized in the social structure such that the production conditions of PCP had been shaped within capitalist relations. The relations of the producers with the capitalist national market intensified with the infrastructural developments, enlargement of the internal market, mechanization and modernization in agriculture with new agricultural techniques, state subsidies, and state policies on the marketing, taxation, and pricing of agricultural crops (ibid, p. 225). Furthermore, Boratav (1969, p. 802) underlines that the producers started to cultivate industrial crops while moving away from the main crops of subsistence agriculture as traditional agriculture adapted to the market. In this sense, Boratav (1980, p. 137-9) indicates that the existing relations of production pushed agricultural producers to increase their efficiency by utilizing technological improvements as the basis of modern agriculture starting from the 1950s. This increase was achieved by state subsidies when agricultural modernization could not be sustained within the capitalist relations. Therefore, while the producers maintained PCP, they were integrated into the capitalist relations of production.

The policies in the sugar sector paralleled the general trends of agricultural policies in this era. During the ISI period, while a high level of tariffs reaching 150% above the world price created a safe zone for sugar beet producers in the face of global market pressure, production was encouraged by the state with the direct purchase of the harvest by sugar factories and the input subsidies sponsored by the cooperatives (Akçay and Uzunoç, 2006, p. 1123). Furthermore, until liberalization policies were introduced in sugar production, the farmers benefited from the early payments, custom harvest services, and seeds provided by the Turkish Sugar Corporation (TSC) (Koç and Fuller, 1998, pp. 3-4). Under the protectionist policies of the state, the level of sugar production in the domestic market rose from 137 thousand tonnes in 1950 to 868 thousand tonnes in 1980 (T.C. Ministry of Development, 2015, p. 227). This illustrates the fact that the state was quite active in the sector, buying sugar beets and supporting producers financially via the TSC while it determined the prices before campaign periods.

Overall, three concluding remarks can be made for the ISI period: (i) The state kept its monopoly status in the sugar sector in this era. The rate of basic consumption goods in the economic activities of the state was more than 50% of the total (Boratav, 2005a, p. 134). (ii) Agrarian policies were formed with the aim of growth in production level by providing the vertical integration of small producers with the market (Aydın, 2018, pp. 223, 300). Therefore, (iii) the producers generally turned to cultivation for the market, abandoning their production for consumption. Thus, a shift from subsistence production to commodity production shaped the main dynamics in this era (Akşit, 1988, p. 179). Keyder (1983b, p. 144) defines the main legacy of this era in the transformation of Turkish agriculture as follows: “after the 1950s’ transformation [its] relevant questions no longer concerned the sharecropping-small ownership dynamic; rather given the continued relative absence of capitalist farming, differentiation and typology of transformations undergone by the small peasantry constituted the more important puzzles”. The footsteps of these puzzles now lead us into the neoliberal era in agrarian relations.

## **2.2. Main Dynamics of the Post-1980s Period in Agriculture: The Neoliberal Turn in State/ Agrarian Relations**

When the inward-oriented accumulation strategy entered a period of crisis in the second half of the 1970s, particularly after 1974, Turkey started to experience difficulties in finding new financial sources to sustain its situation of indebtedness (Yarkın, 2010, p. 161). The announcement of the January 1980 decisions for a major stabilization and economic liberalization program would continue a series of structural adjustment policies (SAPs) under the guidance of the IMF and WB, basically introducing specific and dramatic changes for every policy parameter (Baysan and Blitzer, 1990, p. 10).

The “free market” served as a source of efficient allocation and sustainable economic growth as opposed to a “planned economy” as a result of the SAPs of the 1980s (Yalman, 2009, p. 299). The immediate implementation of the new economic

agenda was mainly intended to reduce the economic roles of the state and to provide the legal background for self-regulating mechanisms in the economic realm. Deconcentration, devolution, and decentralization of administrative functions were announced as the main tools to achieve this aim. In the end, these implementations implied the shift from ISI to outward-oriented development (Arıcanlı & Rodrik, 1990, p. 1344), representing the reduction of government interventions in the market (cf. Krueger, 1990, p. 11; World Bank, 1983, p. 117).

In this sense, Boratav (2005a, pp. 147-8) stresses three main features of the decisions of 24 January as the starting point for neoliberal transition in Turkey. First, these decisions provided a suitable atmosphere for the transition by applying IMF sanctions with shock therapy. Second, they were formulated not only as a macroeconomic stability program but also as tools for structural adjustment in terms of liberalization of the national market by guaranteeing the dominance of the national bourgeoisie over the subordinated classes. Third, this guarantee of the dominance of the bourgeoisie was not possible within the boundaries of the democratic form of the state, and so the 24 January decisions were directly linked with the coup d'état of 12 September 1980, signifying the changing form of relations between the state and classes. Therefore, the post-1980 period may be defined by the “anti-labour and pro-capital orientation of the economic policies” (Boratav, 1990, p. 225).

With the impact of the restructuring of state/market relations, at the beginning of the 1980s small-scale producers in Turkey began facing radical decreases in their purchasing power due to the rising gap between their agricultural incomes and their expenditures for purchasing industrial products (Boratav, 2005a, pp. 165-6). Bernstein (2010, pp. 84-5) summarizes the impacts of the neoliberal shift on agricultural relations with three points, and the overall tendencies in Turkish agriculture seem to be compatible with this general schema (cf. Aydın, 2009, p. 228). As the first of these three impacts, commodity relations in the agricultural sector were maintained without any supporting mechanisms for the production of small producers. These producers experienced reductions of subsidies and state

investments within the de-agrarianization process that left them unable to sustain themselves according to the previous agrarian patterns (Bryceson, 1996, p. 99). The second impact is that the comparative advantages with regard to import liberalization in world trade became dominant with the reduction of efforts to expand the domestic market. In such a situation, if products can be obtained in the world market at lower prices, their national production seems more costly and that production will be abandoned as a result of the lack of competitiveness (cf. McMichael, 2013, p. 44). Third, these impacts eliminated small producers from agriculture, and so, while family-based farming started to dissolve, medium and large capitalist farmers took the stage (cf. Ulukan, 2009, p. 265).

These impacts were concentrated on agrarian relations with the establishment of the World Trade Organization (WTO) in 1995. The Uruguay Round in 1994 issued an announcement of a structural reconstructing of “international policy wisdom in agriculture” (Güven, 2009, p. 177). Its ultimate results “brought liberalization to the highly protected agricultural markets around the world” (Hathaway and Ingco, 1995, p. 7). Friedmann (1993, p. 29) defines it as follows: “the choice is not between ‘regulation’ or ‘free trade,’ but between new forms of implicit or explicit regulation.” Therefore, it introduced a new phase in the global division of labour by determining new rules and forms of relations in agricultural trade.

The aim of the negotiations during the Uruguay Round was summarized by the WB according to three basic principles: “(i) improving market access through reduction of import barriers; (ii) improving the competitive environment by increasing discipline on the use of all direct and indirect subsidies and other measures affecting agricultural trade; and (iii) minimizing the trade-distortive effects of sanitary and phytosanitary regulations” (Francois et al., 1995, p. 128). Four main results emerged from these principles: (i) The rules of international agricultural trade were defined, but an immediate market opening ultimately could not be achieved; rather, partial development in the liberalization of agricultural trade was achieved. (ii) Considerable reductions of tariffs were achieved with the aim of



the industrialization and modernization of developing countries. (iii) Protections on merchandise trade were removed to provide an increase in the real income of developing countries. Finally, (iv) more centralized agreements, like GATT, GATS, and TRIPS, were established under the umbrella of the WTO to strengthen the world trade system (Martin and Winters, 1995, p. xi).

With membership in the WTO, developing countries, including Turkey, agreed to open their national markets. Agricultural giants thus gained comparative advantages vis-a-vis those practising PCP, due to which the state no longer desired to be a party to the determination of the prices of particular products. Instead, price negotiations between these giants and the producers would serve as the new rule of the game, in keeping with laissez-faire principles. Therefore, private companies started to control the agricultural market after the structural transformation of the 1980s (Özkaya, 2010, pp. 156-8).

With the obligations of WTO membership on the one hand and the pressure coming from the 1994 economic crisis on the other, the ‘direct’ impacts of the neoliberal transformation of the national agriculture in Turkey became visible with a letter of intent (LoI) submitted to the IMF on 26 June 1998. In this letter, one of the main reasons for the high level of inflation was explained as the high costs of the public sector and agricultural support prices, and “tight controls on agricultural subsidies” were determined as the solution for high inflation. A second problem related to the national agricultural market was identified in the banking sector due to the average rates charged on agricultural loans by the Agricultural Bank (Ziraat Bank) and a reduction in the interest rates of the agricultural credits given by Ziraat Bank was therefore proposed (IMF, 1998, 26 June).

On 9 December 1999, another LoI underlined the necessities of “rationalization” in agricultural policies for the general structural reform of the Turkish economy to solve the crisis of the fiscal sector, making a pledge to apply more concrete policy changes in the agricultural sector. Among the structural benchmarks of this letter, these promises included (i) the establishment of a direct support system with a farmers’ registration system as an alternative for the product

support program, (ii) absolute reductions of support prices for compatibility with world prices, (iii) adjustments of import tariffs, (iv) the liberalization of the ASCUs and their unions from the state (or the granting of their full autonomy, as written in the LoI), and (v) reductions to a crucial degree in the subsidized interest rates and credits of Ziraat Bank and Halk Bank (IMF, 1999, 9 December).

The letter also addressed the specific topic of sugar beets, stressing that while the quota system was used as a way of reducing the burdens of sugar factories on the national economy, the commercialization of these factories should be ensured “with greater freedom in setting prices and quantities in contracts with growers”. The significance of sustaining the ‘autonomy’ of the ASCUs with the enactment of a new law was stressed again in another LoI on 10 March 2000. The privatization of SEEs was also addressed in a LoI, including the TSC as a state monopoly in the sugar sector, on 22 June 2000.

These promises of the reform period made by the Turkish state were experienced in agriculture with radical declines in all supporting mechanisms. While Ziraat Bank had issued agricultural credits totalling \$5,132 million in 1999, it provided only \$1,802 million in 2002. The agricultural credit cooperatives (ACCs), as the second dominant state financial institution in the agricultural sector, reflected the same shift, dropping from \$1,157 million in 1999 to \$31 million in 2002 (Olhan, 2006, p. 44). Producer subsidies declined from \$9,555 million in 1999 to \$3,962 million in 2001, while market price support fell by \$2,825 million between 1999 and 2001, from \$5,589 million to \$2,764 million (Çakmak, 2003, p. 156).

These attempts to redefine the Turkish agriculture sector in general and the sugar regime in particular were ‘rewarded’ by the WB on 6 June 2001 with the Agricultural Reform Implementation Project (ARIP) in the amount of \$600 million. In the ARIP, it was also noted that the elimination of state-determined sugar beet prices and allowing negotiations between farmers and factories on prices with the promise of the market-determined price would be major sources of reductions in the fiscal costs of the sugar sector. For farmers, the market-determined price would mean facing the pressures of global prices under extreme difficulties to maintain

their agricultural activities. Therefore, de-agrarianization was the only option for these farmers under the pressures of the global market. The aim of the project was summarized as follows

The changes to agricultural output subsidization took the form of more significant *market deregulation* through *the phasing out of state-set prices and reduced intervention* purchases financed by the budget. Reforms also imposed hard budget constraints on state marketing and processing enterprises and the quasi-state Agriculture Sales Cooperative Unions (ASCUs). The remaining 30 percent of the cuts were aimed at *reducing agricultural input subsidies, notably credit and fertilizer*. (World Bank, 2005, p.1, emphasis added)

In light of this project, Aydın (2010, pp. 181-3) explains that the most radical transformation in Turkish agrarian relations occurred in the 2000s. Although the pressure coming from this restructuring of the agricultural sector on the basis of liberalization was already being experienced from the beginning of the 1980s, when the economic reform package of 2000 was approved deregulation and liberalization in the agrarian market intensified. There is no doubt that its impacts on farmers were drastic. During the period between 1980 and 2000, rural producers were still generally able to protect their small family-farming productions, albeit with excessive self-exploitation of their own labours; however, in the 2000s, small and

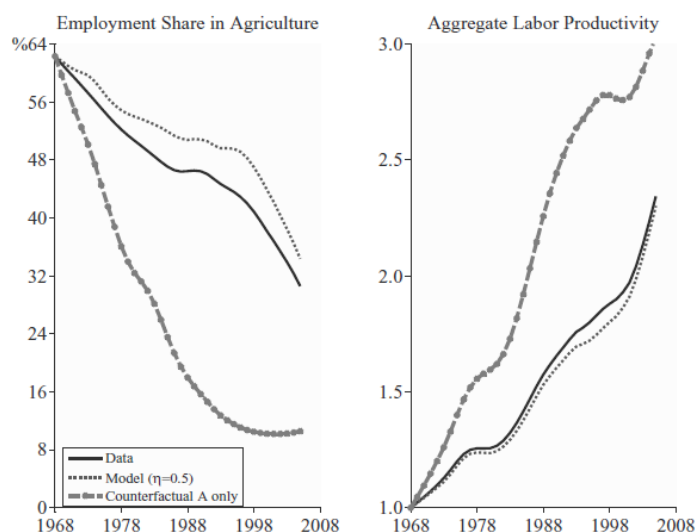


Figure 1: Changes in Employment Share in Agriculture and Aggregate Labour Productivity between 1968 and 2008 (İmrohoroğlu et al., 2004, p. 1006).

medium-scale farmers rapidly grew impoverished, and there was no possibility of their subsistence under the pressure of transnational corporations.

The neoliberal restructuring of the Turkish sugar regime was shaped within this context by claims that the burdens of the old sugar regime on the national budget were an obstacle to building an organized and well-functioning market, due to chronic problems in the domestic agricultural structure, in which sugar beet production was maintained by small-scale farmers and thus took on a fragmented nature. Because of this, the efficiency and sufficiency of sugar beet production always remained below that of the global sugar market. Thus, while the 'old' sugar regime was that of the years between 1950 and 1980, the 'new' one may be evaluated as marking the end of the developmentalist era, an offspring of the neo-liberalization processes in the agricultural system in the post-1980 period (Olhan, 2006, p. 42).

What changed for the subsistence of sugar beet producers between the old and new regimes? First, it needs to be stressed that the shift between these two regimes for producers reflects the same overall characteristics of the transition of agriculture in general; thus, we cannot understand the trajectory of this shift without a holistic approach. Therefore, after summarizing the common points for the overall agrarian transformation, I will return more specifically to sugar beet producers. During the transition period between 1980 and 1987, productivity increased by between 4.5% and 29.3% per hectare for primary industrial crops like tobacco, sunflower, wheat, cotton, and sugar beet. The general trends for agricultural productivity are illustrated in Figure 1 (İmrohoroğlu et al., 2004, p. 1006). The message of the graph on the left is very clear: the quantity of labour dramatically decreased in the rural parts of the country, or, put another way, farmers withdrew from agriculture. The rural population became smaller than the urban population for the first time in Turkish history in 1985 at rates of 46.9% versus 53.1%, respectively (Yılmaz, 2015, p. 165). After 1985, agricultural producers started to lose their demographic importance rapidly, and by 2018, the rural population had fallen to 7.7% (TÜİK, 2018).

The graph on the right, meanwhile, presents information that is critical within the scope of this study. While the agrarian population decreases daily, agricultural productivity follows an entirely opposite trend. There is no single explanation for this situation. Technological improvements, increasing amounts of fertilizers and pesticides or other inputs to sustain productivity growth, and the increase of total agricultural land all worked to facilitate this trend, especially in the post-1980 period (Özkan et al., 2004). However, while a radical increase in input amounts was not experienced, the agricultural population decreased but agricultural productivity increased, especially during the transition period.

While the use of fertilizer was increasing at a rate of 15.3% per year between 1973 and 1977, its annual increase remained at just 2.8% between 1980 and 1987. While farmers' access to inputs grew more difficult in the transition process, agricultural GDP and labour productivity continually improved. Although the agricultural outputs increased, farmers experienced impoverishment in terms of the radical decrease of their purchasing power. If the index for their purchasing power in 1977 is taken as 100, it had decreased to 55.6 by 1985. The real agricultural income per person in the same period decreased at a rate of 44%. Moreover, farmers had to reduce their agricultural investments for their futures at a rate of 56% between 1977 and 1989 (Boratav, 2005b, pp. 135-7).

The rates of agricultural investment can be evaluated as further data to show that farmers no longer see a future for themselves in the agricultural sector. While the de-agrarianization process became most obvious in the 2000s, its story started with the early years of the neoliberal transformation in Turkey. As another critical point in the transition period, the index for the purchasing power of farmers shows that while productivity increased, the impact of that increase was ironically not positive for the subsistence of the farmers. Boratav (2005b, p. 138) explains this discrepancy in terms of agrarian relations, as farmers tend to increase their labour productivity by increasing their working hours as a survival strategy to deal with changing prices and the balance between agricultural and non-agricultural markets.

In other words, the self-exploitation of their own labour during the transition period became the primary solution of the farmers to continue their subsistence activities.

For the sugar market and sugar beet producers, in fact, the sugar beet continues to keep its advantages compared with other crops in terms of subsidies. In 1994, the scope of support purchases was radically reduced from 26 different crops to only 4 types. Sugar beet has remained within the scope of support purchases together with tea, cereals, and tobacco, while radical decreases in other supporting mechanisms such as fertilizer subsidies or seed subsidies affected the subsistence of sugar beet producers in parallel with the neoliberal transformation of agriculture.

However, a vital breaking point for the sugar market occurred in 1993, with the entry of private companies to the market (Kasnakoğlu and Çakmak, 2000, p. 92). After this point, private companies entered the contract processes for sugar beet production, and the direct relations between producers and the TSC started to disappear. When the private firms entered sugar production, each step of sugar production was privatized. Furthermore, in sugar production it is common for producers to work in the sugar factories as temporary labour during the campaign period. After producers deliver their harvests to the factory, they also supply the factory labour necessary for sugar beet processing. Therefore, the TSC was more than an agricultural SEE for the subsistence of these producers. The TSC was also the main source of their regular incomes, coming from their employment status in the factories.

The most critical turning point for the Turkish sugar market was the standby agreement with the IMF in December 1999. In this standby, first of all, the supporting mechanism was changed. The supporting mechanism of agricultural production was based on the variety of the crop in the period before 2000, but with the standby agreement, it shifted to direct income support (DIS) based on the size of the cultivated land. This resulted in producers directly losing their subventions under the dominance of small-size farming in sugar beet production, with big landowners gaining comparative advantages in accessing financial support mechanisms. Secondly, it was stated that the credits given by Ziraat Bank would be

decreased. This opened the door to private banks distributing agricultural credit, which seems to have become the primary strategy for producers within the financial system, as will be discussed in Chapter 4. Thirdly, it was announced that with this standby the TSC, ÇAYKUR, and TEKEL would be privatized, and, finally, the laws on sugar and tobacco would be re-regulated (Günaydın, 2009, pp. 178-88; Oyan, 2009, pp. 241-3).

In keeping with the promises made to the IMF and WB, the first noticeable policy change in the sugar sector was the quota system, whereby strict financial sanctions were applied to producers in the event of exceeding the pre-determined limits on beet planting since 1998 to control the cultivation of sugar beet (ZMO, 2015). The second prominent change was the decision to privatize sugar factories and the application of DIS in sugar beet production in 2000. The shift to DIS was quite critical, being the first time in the history of the sector that sugar beet lost its protective status for farmers among the different varieties of crops and farmers were not financially supported for cultivating sugar beet; rather, they were rewarded according to their possessions of land. Finally, the new sugar law was the last ring in this chain of events in 2001. The 8<sup>th</sup> five-year development plan announced that

(I) Sugar beet has no competitiveness in the world market compared to sugar cane due to its cost burdens, so,

(II) Domestic sugar production is highly dependent on state subsidies, such that today's sugar regime is maintained as dependent on the public sector due to the lower prices in the world stock market;

(III) These subsidies give special privileges to the TSC against private companies, which are already disadvantaged by the use of commercial credits and the high price pressures coming from the world market;

(IV) The sugar industry has established not only economic functions but also social functions such as reducing regional development gaps, increasing employment, and preventing migration. With time, the economic roles of the sugar factories have become dominated by their social responsibilities; hence, the

investments in the sugar sector are shaped by non-competitive and non-economical state policies;

(V) Due to the weakness of the domestic sugar market in world trade, (V.i) the production of sugar will be re-regulated according to internal demands while sugar exporting will no longer be evaluated as a strategic aim, (V.ii) the state will be removed from the sector and the needs of a competitive atmosphere will be provided, and, lastly, (V.iii) according to international commitments, a legal infrastructure will be prepared by encouraging privatization of the factories (SPO, 2001; pp. 39-40, 60).

To provide a legal infrastructure that would allow the liberalization of the 'old' sugar regime, the privatization of sugar factories on 20 December 2000 was approved with a legislative change. The juridical background was redesigned on 4 April 2001 with Sugar Law No. 4634, ensuring less state control and more room for private initiatives in the Turkish sugar market. Its main promise was based on structural changes in the 'old' sugar regime by guaranteeing the continuity of the neoliberal transition process. The critical components of the new sugar law were as follows (Official Gazette, 4 April 2001)

Article 1: The purpose of this act is the re-regulation of the Turkish sugar regime to determine its procedures and principles; pricing, conditions, and methods of its marketing by ensuring the principle of self-sufficiency in national sugar production and the exportation of sugar if it is necessary.<sup>3</sup>

Article 3: The amount of sugar to be marketed is determined by quotas periodically to sustain the stability in sugar production and its supply. The quota is determined within different categories for different types of sugars. Sucrose-based sugars and others have different types of quotas. The quota of starch-based sugar (SBS) cannot exceed 10% of the total quota of beet sugar. The Council of Ministers is authorized to either increase or decrease this ratio by taking the advice of the Turkish Sugar Board...<sup>4</sup>

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<sup>3</sup> Bu Kanunun amacı, yurt içi talebin yurt içi üretimle karşılanmasına ve gerektiğinde ihracata yönelik olarak Türkiye'de şeker rejimini, şeker üretimindeki usul ve esaslar ile fiyatlandırma, pazarlama şart ve yöntemlerini düzenlemektir.

<sup>4</sup> Şeker üretimi ve arzında istikrarı sağlamak amacıyla pazarlanacak şeker miktarı, sakaroz kökenli ve diğer şekerler için ayrı ayrı olmak üzere şeker türlerine göre, gerektiğinde dönemsel olarak kotalar ile belirlenir. Nişasta kökenli şekerler için belirlenecek toplam A kotası, ülke toplam A kotasının %



Article 5: The annual price of sugar beet is determined by a negotiation between sugar beet producers or their representatives and a legal entity operating the sugar factories...<sup>5</sup> (Official Gazette, 4th April 2001)

In this sense, Oyan (2003, p. 60) underlines the impacts of the new law based on five main points: (i) it prepares the legal background for the application of the privatization decision in the sugar sector; (ii) the Sugar Agency and the Sugar Board are established, reducing the role of the TSC in the market, and representatives of the private sector also are included in the Board; (iii) the determination of the sugar production quota and its distribution between companies are under the control of the Board; (iv) the price of sugar beet can be determined between private companies and the farmers after 2002; (v) the selling price of the sugar is determined by the companies with no restrictions coming from the state.

Although the legal infrastructure for applying the neoliberal transformation to the sugar regime was completed in 2001 with the new law, the entire process could not be completed until the beginning of 2018. On 21 November 2016, the Council decided to complete the privatization of the TSC by 31 December 2018, and the decision regarding the privatization of 14 of 25 state-owned factories was published in the Official Gazette on 21 February 2018 (TŞFAŞ, 2018). This included the privatization of the Alpullu Sugar Factory. In this sense, the post-1980 period can be summarized as comprising three phases in the region. First, the neoliberal transition began exerting its influence from the 1980s with decreases in state subsidies. Second, its impacts were concentrated on producers at the end of the 1990s due to the quota system and DIS. Third, as the final step in this process, the transition was completed with the privatization of the Alpullu Sugar Factory on 27 April 2018 as the final nail in the coffin in the course of this transition.

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10'unu geçemez. Bakanlar Kurulu bu oranı, Kurumun görüşünü alarak % 50'sine kadar artırmaya, % 50'sine kadar eksiltmeye yetkilidir.

<sup>5</sup> Şeker pancarı fiyatları her yıl, şeker fabrikası işleten gerçek ve tüzel kişiler ile üreticiler ve/veya temsilcileri arasında varılan mutabakata göre belirlenir.

## **CHAPTER 3**

### **AN OVERVIEW OF THE HISTORICAL TRANSFORMATIONS IN THE VILLAGES OF BABAESKİ AND ALPULLU SUGAR FACTORY**

This chapter primarily focuses on the impacts of the neoliberal restructuring of sugar policies on Alpullu and the nearby villages. With this aim, the three villages of Büyükmandıra, Pancarköy, and Düğüncülü were selected for the field study. In this respect, the chapter comprises four parts with regard to the different historical backgrounds and dynamics of these selected villages. While depicting the reactions of the sugar beet producers to the ongoing restructuring process, it also includes statistical information to demonstrate how this process has affected the region. The general discussion in the previous chapters about the changing forms of state/society relations within the context of the Alpullu Sugar Factory is revisited here with the reflections of the sugar beet producers. In this way, this chapter aims to reveal differences and similarities among the villages during the neoliberal transition in order to provide an overview for the forthcoming discussions in Chapter 4.

#### **3.1. Alpullu: The Hometown of the Sugar Factory**

The history of Alpullu starts with the construction of the sugar factory in the village in 1925. It is a small town in Babaeski, Kırklareli, and it gained status as a municipality in 1964. Lüleburgaz and Babaeski surround it, and Alpullu is relatively less developed in terms of its population density, employment opportunities, and cultural and social environment in comparison to Lüleburgaz and Babaeski. The main reason for this is that while Lüleburgaz and Babaeski are historically significant areas in the Turkish Thrace region (Trakya), the population density of

Alpullu only increased with immigration due to the factory's construction. The oldest demographic statistics are from 1940, when the village had 885 inhabitants; however, it rapidly increased in size until 1945 and reached a population of 1811.<sup>6</sup> Hence, Alpullu is clearly interlinked with the existence of the sugar factory, while the activities and mobilizations in the town are organized in the wider surrounding region.

The appearance of the town also reflects the modernist attempts of the Etatist period. For instance, while the first tennis court in the history of the Turkish Republic was built in the factory's recreational facility, the architecture of the public housing constructed for the factory workers is also unique in Trakya in terms of the organization and design. It can be said that while Alpullu was conceived of as a social centre for the nearby villages, it did not achieve that mission, especially with the decline in the factory's production after the 1980s. Especially in the 2000s, the gap between Alpullu and the surrounding regions continued to widen in terms of development levels. The locals believe that living in the surrounding regions is preferable for access to public services such as education for their children and health care, and more critically in terms of job opportunities. Furthermore, in Alpullu there is no option for them to sustain their consumption needs or access commercial markets because there is nothing in the town except the factory itself. The mayor of Alpullu, Saim Kırıcı, explained this low level of development by stressing that when the factory was functioning well, the population could reach 3,900; however, the construction of other factories was not possible in the town, and the Alpullu Sugar Factory remained entirely alone in the region. Hence, while Turhal and Torku<sup>7</sup> could gain the status of districts, Alpullu has remained a small town, faced with a declining population.<sup>8</sup>

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<sup>6</sup> Retrieved from <https://www.alpullu.org/N/nufus.html#> on 10.10.2019.

<sup>7</sup> Turhal and Torku are located in Konya and their trajectories are somewhat similar to that of Alpullu. PANKO, as the major cooperative in sugar beet production, runs the sugar factory in that region, and these towns began to develop after the start of sugar production in the area.

<sup>8</sup> Retrieved from <https://www.alpullu.org/N/nufus.html#> on 10.10.2019.

As stressed above, the trajectory of Alpullu started to change in the 1980s, while Lüleburgaz and Babaeski in particular and the Trakya region in general were simultaneously rapidly industrializing. The significance of the region comes from its geographic proximity to İstanbul, as the nation's consumption centre. Trakya therefore has a comparative advantage of reduced transportation costs, and at the same time, the region is quite rich in terms of the raw materials like water, energy, and labour power required for industrial production, especially for the textile, chemistry, and food industries. Thus, while the industrial capacities of İstanbul were expanded with support from the surrounding regions, the three historically significant cities of Trakya, Tekirdağ, Edirne, and Kırklareli, demonstrated a highly rapid industrialization process dependent on İstanbul. In other words, industrialization in Trakya was the result of the re-location of resource-intensive industries in the region moving away from İstanbul. In this schema, Tekirdağ dominates the industry in the region, being the nearest of these cities to İstanbul, and 68% of the total industrial enterprises in Trakya are concentrated in the Çorlu district of Tekirdağ province and the E-5 zone (Kubaş, 2012).

Alpullu is located in the middle of Tekirdağ, Kırklareli, and Edirne and so the shift from agricultural labour to industrial did not require extreme efforts on the part of local residents due to the advantages of this geographical proximity. It should also be noted that although the first industrial investment in the region was the Alpullu Sugar Factory and Alpullu once functioned as the region's industrial centre, independently of İstanbul, the flow of investments shifted through Lüleburgaz and Babaeski in the food and textile sectors in the 1990s. Moreover, industrial investments in the food industry have focused on flour, oil, and dairy products, with attention being withdrawn from sugar beet and its by-products, so sugar beet lost its importance for the region while wheat and sunflower began to dominate farming among the other industrial crops in the 1990s.

In this sense, the post-1990s period can be identified with two simultaneous impacts in the region: while locals withdrew from agriculture, these industrial zones were able to meet their labour requirements as a result of that withdrawal. However,

local residents have mostly experienced this process as an obligation rather than a choice due to the increasing precariousness of agricultural production. While agriculture has lost its profitability and has become riskier for farmers year by year due to the ongoing transformation in agricultural policies as summarized in the previous chapter, industrial areas are perceived as the only opportunity for sustenance. In this respect, the locals justify their immigration into industrial areas with the restructuring of the factory. One of the former farmers in Dügüncülü (63 years old) explains his experiences in the following words:

I retired from the factory. My brothers, my cousins, are all the same. You can ask anyone in this village, and you will get the same answer. In this village, and also in other nearby villages, every household has one or two pensions for both husband and wife thanks to the factory. We have a pension, so we do not leave this village. Sometimes, we have to borrow money; sometimes, our children help us financially. However, we can still survive with this pension here. If the factory functioned like in the old days,<sup>9</sup> my sons could work there while maintaining the harvest. But now, there is no job here. What can they do? They have to leave their villages. They have to work in urban areas with low wages. One of them is in Lüleburgaz, the other is in Çorlu now.<sup>10</sup>

Furthermore, increasing instability in agricultural production due to the end of agricultural subsidies in the post-1990s period directly created a kind of prejudice about agricultural production. In this regard, withdrawing from agriculture and immigrating to urban areas is perceived positively by many locals. Moving to Çorlu, Babaeski, or Lüleburgaz is directly identified with an increase in one's living standards. One of the locals, aged 29, from the Sinanlı village of Babaeski, reports the following

Migration is not only about finding a job. Don't I want to protect the lands of my father and maintain our family legacy? We grew up in farming. Do I

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<sup>9</sup> This discourse about "the old days" makes reference to the previous period up until the mid-1990s.

<sup>10</sup> Ben fabrika emeklisiyim. Kardeşim, amcaoğullarım hepsi öyle. Bu köyde kimi çevirip sorsan, sana aynı cevabı verecek. Kimisinin evine bir, kimisinin evine iki emekli maaşı girer karı-koca. Bu çevrede hep böyle. Emekli maaşımız var, ondan terk etmiyoruz bu köyü. Bazen borçlanıyoruz, bazen çocuklardan yardım alıyoruz. İyi, kötü devam ediyoruz yağımızda kavrulmaya. Fabrika eskisi gibi olsa mesela. Benim oğlanlar da girerlerdi oraya, bir yandan da devam ederlerdi çiftçiliğe. Ama şimdi iş yok. N'apsınlar, köylerinden oldular, üç kuruş paraya çalışıyorlar, biri Burgaz'da diğeri Çorlu'da.

want to work for someone else in the factories where we don't even know the owner? Being a farmer is not an option now if you want to build your own life. For instance, when I wanted to marry, the mother of my wife asked me directly about my job. Our people permit their girls to marry any industrial workers, thinking that this man at least can earn a regular wage and sustain their life in the future. However, if you are farmer, the general belief is that you cannot sustain your life. Your future cannot be secure.<sup>11</sup>

The population change<sup>12</sup> in Alpullu is illustrated in Figure 2 according to the general census statistics. Although the population reflects an irregular pattern between 1965 and 1990, it can be generally stated that there was an upward trend. In keeping with the statements of the interviewees, it reached its peak point in 1985 with 1607 people, and after that, it followed a constant decreasing tendency, except for a slight increase between 2007 and 2008.

It is obvious that Alpullu is directly linked with the existence of the factory for the locals as the source of their subsistence. In the first opening ceremony after the privatization of the factory for the campaign period of 2019-2020, the governor

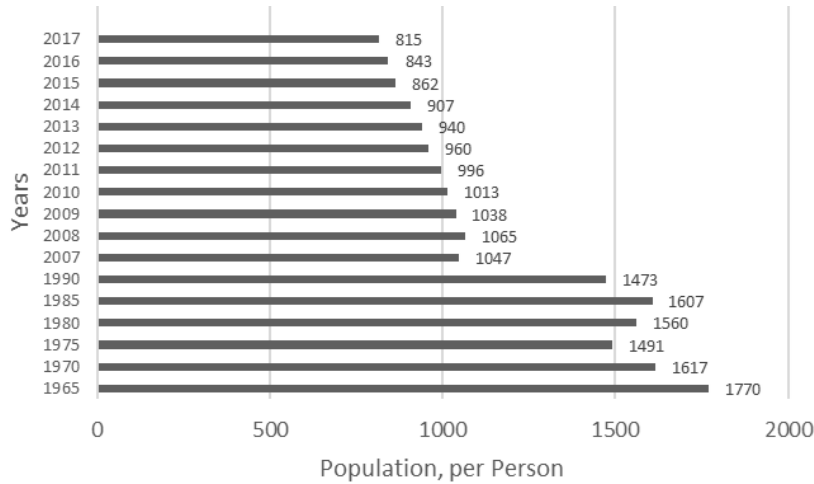


Figure 2: Population Change in Alpullu

<sup>11</sup> Şehre taşınmak yalnızca iş bulmakla da ilgili değil. Ben istemez miyim babamın tarlasına sahip çıkayım, ata mesleğimi yapayım? Toprakla büyüdük biz, ister miyim bilmediğim fabrikalarda başkasının işini göreyim? Çiftçiliği öyle bir bitirdiler ki, artık çiftçi olana kız vermiyorlar. Evleneceğim mesela. Bizim hanımın anası soruyor ne iş yapıyorsun diye. Fabrika işçisine kız verirler ama çiftçiye vermezler. Sabit geliri var en azından derler. Öyle yok ettiler çiftçiyi, öyle değer kaybettik.

<sup>12</sup> In this study, all statistics are derived from TÜİK data. Retrieved from <https://biruni.tuik.gov.tr/nufusmenuapp/menu.zul> on 13.11.2019.

of Kırklareli, Osman Bilgin, stressed this link between the factory and Alpullu as follows:

In this region, including Kırklareli, Tekirdağ, and Edirne, the Alpullu Sugar Factory has provided the subsistence of the farmers. However, it provides not only their sources of income but also functions as an art and cultural centre for them. In this sense, it is more than a factory. It creates an environment to provide social and cultural development in the region.<sup>13</sup>

In the same ceremony, the new owner of the factor, Nevzat Demir, also underlined the factory's significance for the region by focusing on its transformation over time. His speech is particularly important as the protests in the town were directly related to the privatization. The locals generally assume that the factory will be closed after completing the 5-year period<sup>14</sup> rather than returning to its status of the pre-1980 period. The factory was assigned to Demir's company in the eight months after the privatization bid due to the financial difficulties of the company. Furthermore, this assignment was achieved at the end of the campaign period of 2018-2019, and the state took responsibility and became the party of the payment contract with the farmers in this process.<sup>15</sup> Hence, the locals believe that the private company cannot manage the process and will not be capable of continuing production in the town. This process is evaluated as evidence that the state should stay in sugar production to ensure its future and to keep the town alive. In this atmosphere, Demir made the following remarks:

Our primary purpose is to revive the establishment vision of the factory. When this factory was constructed, its main agenda was determined to develop our national economy and to generate employment in the region. However, the factory cannot fulfil these purposes now because no one supports its production. Now, the factory is not capable of the continuity of

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<sup>13</sup> Alpullu şeker fabrikası, Bu bölgede hem Kırklareli'nin, hem Tekirdağ'ın hem de Edirne çiftçisinin hem geçim kaynağı olmuş; hem de yaşamının sosyalleşmesinde, kültürleşmesinde her yönü ile aslında bir fabrikadan öte bir kültür, sanat ve merkezi haline dönüşmüştür. Retrieved from <https://www.haberturk.com/kirklareli-haberleri/72147361-arpullu-seker-fabrikasinda-uretim-torenle-basladi> on 10.10.2019.

<sup>14</sup> This period was determined by the state to provide continuity of sugar production and to protect the farmers in the privatization process in the privatization bid.

<sup>15</sup> Retrieved from <https://www.tarimdanhaber.com/tarim-gida-sirketleri/arpullu-seker-fabrikasi-8-ay-sonra-devredildi-h11302.html> on 10.10.2019.

production. It is not contributing to our national economy or to our farmers. Now, we want to protect this historical heritage. We believe that we can revive this heritage together with our state and farmers.<sup>16</sup>

The transformation of the factory thus not only affects Alpullu; its impacts diffuse throughout the whole of Trakya, as Bilgin stressed. However, the scope of this study is specifically limited to the villages of Büyükmandıra, Pancarköy, and Dügüncülü for two reasons. First, Alpullu is surrounded by these villages. The geographical advantage of these villages reduced the transportation costs of sugar beet so that the crop could be directly sold to the factory without any mediators such as traders. The second reason is that the temporal labour requirements of the factory are mainly supplied by the farmers living in these villages, again in relation to their geographical advantage. Hence, the links between the factory and the farmers living in these three villages are more concrete and more direct compared to other locations in the Trakya region. In the following subsections, I will summarize the reactions of the sugar beet producers to the ongoing restructuring process in sugar production and I will try to show the similarities and differences among the producers regarding the conditions in these three villages.

### **3.2. Büyükmandıra Village: The ‘Paris’ of the Region**

Büyükmandıra is a municipality of Babaeski, located approximately 6 km away from the Alpullu Sugar Factory. The history of the settlement started in approximately the 1890s as a result of the immigration that began from the Balkans following the end of the Russo-Turkish War of 1877-8. The immigrants arrived together with their animals from their hometowns, in which husbandry was the main

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<sup>16</sup> Fabrikamızın ilk kuruluş amacı olan ülke ekonomisini kalkındırmak, istihdamı arttırmak gibi amaçlarını en iyi şekilde gerçekleştirmeyi hedefliyoruz. Yıllarca sahip çıkılmayan, üretmeme noktasına gelen, ülke ekonomisine ve çiftçimize katkı sağlamaz hale getirilen bu tarihi mirasımızı, devletimizle, çiftçimizle, işçilerimizle fabrikamızı tekrar kalkındıracağımıza inanıyoruz. Retrieved from <https://www.haberturk.com/kirklareli-haberleri/72147361-alpullu-seker-fabrikasinda-uretim-torene-basladi> on 10.10.2019.



means of subsistence. As a result, Büyükmandıra is the most developed of the three villages regarding its population and economic, cultural, and sports activities due to its historical significance compared to Pancarköy and Dügüncülü and it gained the status of municipality in 1955 thanks to these advantages.<sup>17</sup>

Both its residents and people in the neighbouring villages have internalized its development level by referring to it as ‘Paris’. This is used as a metaphor by locals for Büyükmandıra to imply the variety of social activities and the vibrant atmosphere in the village. For instance, one of the peasants from Sinanlı (55 years old) reports that when they need to buy clothing or other items that cannot be found in Sinanlı, they go shopping in Büyükmandıra. A former restaurant owner from Büyükmandıra (63 years old) states the following:

You should have visited this village 20 years ago. In those years, our streets were quite crowded, especially in the summer. Visitors came here even from Edirne to eat our traditional foods prepared from local chicken and beef. We were very famous with our local bars; they came here to enjoy our fun environment. In those years, this village was also crowded, but now only we, the older ones, stay here. Many restaurants closed up. Some of them closed up due to their debts, some of them closed up because husbandry is over now. In those years, there were many animals fed here. The approximate number of cattle per household could be predicted as between 8 and 10. What can you sell if there are none of them now?<sup>18</sup>

In line with the statements of this interviewee, Büyükmandıra had the densest population among these three villages historically. Its population density was also related to migration waves in 1926, 1935, and 1951, especially from the Balkans. The changes in its population are illustrated in Figure 3. It can be seen that the population was increasing until 1997. It increased at a rate of 8.9% in the 10-year period between 1965 and 1975, and then by 15.7% in the next 10-year period

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<sup>17</sup> Retrieved from <https://www.buyukmandira.bel.tr/sayfa/tarihcemiz.html> on 10.10.2019.

<sup>18</sup> Sen bu köyü esas 20 sene önce ziyaret edecektin. Yaz geldi mi, sokaklardan insan taşardı. Edirne’den gelirlerdi bizim tavuğumuzu, etimizi yemeye. Bi’ meyhanelerimiz vardı. Bilirsin, buralarda meşhurdur meyhaneler. Gelirlerdi, yiyip içip eğlenirdi insanlar. O yıllarda, köyümüz de kalabalıktı. Şimdi sadece biz kocamışlar kaldık. Restoranların çoğu kapandı. Bazısı borcunu ödemek için kapattı, bazısının hayvanı kalmadı, hayvan bulamadı ondan kapattı. O yıllarda, bu köyde çok hayvan vardı. Şöyle diyeyim sana, ev başına sekiz- ona yakın büyükbaş düşüyormuştur. Şimdi yok. Olmayan şeyi nasıl pişirip de satacaksın?

between 1975 and 1985. Although the population continued to grow in the years between 1985 and 1997, the rate of increase slowed to 6.1%. After 1997, the population never again showed an increasing tendency. While the decrease in the 10-year period between 1997 and 2007 was 513 people, at a rate of 11%, it was 613 in the following 10-year period at a rate of 15%.

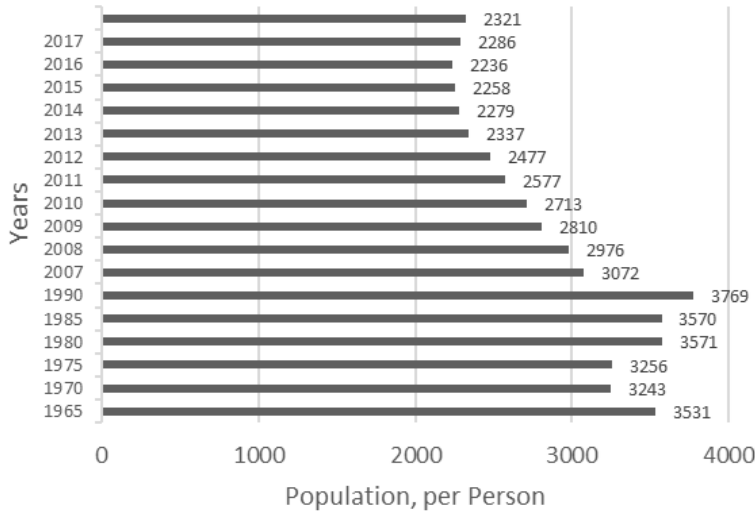


Figure 3: Population Change in Büyükmandıra

This population density in the village created a significant problem in terms of cultivation area. The agricultural land per household has decreased, especially following the immigration from the Balkans. This constitutes the main difference of Büyükmandıra from Pancarköy and Düğüncülü. Furthermore, this situation is the main explanation for the village’s dependency on sugar beet production. While the cultivation of other alternative crops in the region like sunflower, wheat, and canola requires a huge amount of land to earn a sufficient income for subsistence, sugar beet cultivation provides a higher level of profitability per area. This uniqueness is explained by one of the farmers in Büyükmandıra (63 years old) as follows:

Our problem is land. Other villages have enough lands in this region. They can earn their subsistence no matter what they cultivate. Wheat needs considerable land; sunflower is the same. However, while our population is high, our land is limited. We have to cultivate sugar beet to earn enough money. For instance, I have ten decare of land, and if I cultivate wheat or

something else, I can't profit. I can't even pay my debts for seeds or other preliminary expenses to cultivate. Only sugar beet cultivation provides sufficient income to sustain my life and continue in agriculture.<sup>19</sup>

The shortage in agricultural land is also understood as the main reason why the locals of Büyükmandıra have to undertake additional jobs together with farming. Until the 1990s, seasonal factory work and running local restaurants were considered as the only opportunities. The critical point here is that although agriculture has been defined as the primary source of subsistence in Büyükmandıra, the beet producers must also hold secondary jobs to survive. The scarcity of agricultural land thus creates a high dependency not only on beet planting but also on the Alpullu Sugar Factory in two regards. First, the main way to continue beet planting is directly dependent on factory purchases. Second, the producers expand their sources of income by working in the factory. One of the farmers (64 years old) explains this as follows:

We are all retired from the factory. If you ask me what the meaning of the factory is for this village, I will say that 'the factory' is equal to 'the job'. Firstly, we planted sugar beets on our lands. Then, when the harvest ended, we started to work in the factory as seasonal workers. Of course, some of us worked as permanent workers. If you have this status, you receive your salary for 12 months. However, seasonal work was more common here. After the selling of sugar beets to the factory, our second role in sugar production started, as workers. Sugar beet should be considered as our guarantee. We gain our subsistence by selling it. However, during our seasonal work, we could earn salaries from the factory. Our working period could change from one year to another, related to the cultivation of sugar beet per year. I can say that this factory was run even six months in a year. During those periods, we sustained our monthly expenses with our salaries. This means we had two different income opportunities, thanks to the factory, in the past: selling sugar beets and seasonal work. Furthermore, animal husbandry should be thought of as another source for our income. When these three different sources came together, we could start to make

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<sup>19</sup> Bizim buradaki en büyük sorunumuz toprak. Diğerlerinin toprağı var. Ne ekseler para kazanabiliyorlar. Buğday mesela, çok toprak ister. Ayçiçeğı desen öyle. Bizim nüfusumuz çok, toprağıımız az. Para etmesi için pancar ekmeye mecburuz. Pancarın getirisi iyi. Mesela benim 10 dönüm arazim var kendimin olan. Eğer buğday ekersen, kazandırmaz. Diğerleri için de öyle. Tohum paramı, ne bileyim diğer giderleri bile çıkartmaz. Biz yalnız pancardan kazanırız. Pancar kendini döndürür, seneye de toprağıımızı ekecek para bırakır elimize.

profits and investments. In those days, these profits and investments were what made this village Büyükmandıra<sup>20, 21</sup>.

However, the opportunities to ensure their subsistence shifted from the village to industrial areas in the 1990s. The role of agriculture in their subsistence has changed and farming is now defined as a secondary income source in their lives. For the post-2000 era, it is described as a source of 'side income' rather than their primary source of subsistence in relation to their withdrawal from sugar beet production. The insufficiency of their agricultural income pushes the farmers to base their subsistence on their retirement salaries, and so their dependencies on the factory seem to transform into another type of relation. This evolving process was explained in a group interview by one of the oldest farmers (71 years old) as follows

Believe me, if you didn't invite me here, I would stay at home. I think that if I stay at home, I don't have to spend extra money. However, if I start to come to this *kahve*<sup>22</sup> and I drink two glasses of tea every day, I have to calculate the monthly cost for me. We have to think about how we can pay for the cost of even tea. This is a very dramatic situation for us. My only income is my retirement salary. I have to think carefully about how I should spend it. I cannot deal with any extra payments because I've already sold whatever I have. I even sold my two tractors. How can I maintain my subsistence? In the beginning, the decrease in my income started with the quota system in beet planting, nearly 20 years ago. Due to this new system, we could not profit from sugar beet cultivation like in the old days. What happened when our incomes coming from sugar beet cultivation decreased? For instance, I took out credit to lease extra fields in those years. I wanted to plant more than my lands would allow. Then the quota was applied, and the selling of sugar beet only made a loss. Therefore, I could not pay my debts after the harvest. However, I'd have liked to take on debt to be able to

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<sup>20</sup> The interviewee thus tries to stress the wealthy atmosphere in Büyükmandıra.

<sup>21</sup> E görüyorsun bu köyde, neredeyse hepimiz fabrika emeklisiyiz. Fabrikayı tanımla bana tek kelimeyle desen iş derim. Öncelikle pancarımızı ekeriz, kendi toprağımızı işleriz. Sonra kampanya zamanı başladı mı, gider fabrikada muvakkat işçi oluruz. E burada kadrolusu olan da var fabrikanın, o zaman 12 ay alırsın maaşını ama çoğunluk benim gibidir. Pancarı fabrikaya teslim ettik mi o bizim garantimiz olur. Sonrasında başlarız o fabrikada pancarı işlemeye, artık kaç ay olursa. Ama bir, iki ay sanma sakın. Bu fabrikanın yılda altı ay bile tam kapasiteyle çalıştığı oldu. Orada çalıştıkça alırsın maaşımızı, o ayki yiyeceğimiz çıkar. İkili idare ederiz anlayacağın. Hatta ne ikisi. Hayvanı da ekle sen ona. Üç ayrı kazancı bir araya getirip öyle yaşardık. E birikim de yapardık o zamanlar. Hem pancar kazandırırdı; hem de fabrika aylığımızı çıkartırdı. Üstüne bir de hayvanı ekledin mi işte o zaman Büyükmandıra, Büyükmandıra oldu.

<sup>22</sup> *Kahve* means a local place where people drink tea and play board games.

earn a sustainable amount from agriculture. In the past, wedding ceremonies were organized after the harvest because beet planting gave enough money for this kind of extra spending. If you ask me how I sustain my life now, I will say thanks to the factory again. It guarantees our retirements. Farming cannot create an income for you anymore.<sup>23</sup>

In this sense, the producers define the period as starting from the 1990s but generally concentrate on the post-2000s in terms of their withdrawal from sugar beet production and its results in terms of indebtedness and impoverishment, while the pre-1990 period is marked by the enrichment of the producers. One of the participants describes these opposing periods as follows

When I was a young farmer, the factory supported us to plant sugar beet. It provided the preliminary expenses and additional money for us. So, we could earn proper incomes. What I'm trying to say is that all of us could increase our wealth, thanks to the factory. However, when the ruling party changed,<sup>24</sup> the factory started to apply different policies, and these policies were not sufficient to continue beet planting. In the beginning, we could not get our additional financial support. However, if you sustain your life by farming, you know that agriculture and husbandry have to be maintained dependently on each other. The only possibility is to continue farming and husbandry hand in hand. When our financial supports were gone, first we started to sell our animals. First, husbandry was gone. At the end, we lost everything.<sup>25</sup>

The neoliberal transition is internalized here with the transformation of the factory by defining a contrast between the pre-2000 period and the post-2000s. Its

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<sup>23</sup> Bak inan bana, sen davet ettin diye geldim ben buraya. Yoksa düşünmek zorunda kalıyorum. Şimdi otursam kahvede, iki çay içsem her gün, ayda kaç para edecek. Düşünsene çayı nasıl ödeyeceğimi düşünüyorum. Ay sonu geldi mi, bir emekli maaşım var benim. E neye yetireyim? Elde olan her şeyi satmışım zaten, iki traktör vardı, o bile gitmiş. Nasıl olacak o iş? Önceleyin, işte 20 senesi var, kotayla başladı tabii. Biz pancarı ederinden satamamaya başladık. E satamayınca n'oldu? Mesele ben kredi çekmişim, borca girmişim, icara ekeyim diye, çalışmak istiyorum yani. Neyse işte, kota bi' geldi, pancar para getirmede. Ödeyemedin mi sezon başında girdiğin borcu hasat sonuna. Eskiden burada düğünler hasatı beklerdi. O kadar para getirirdi pancar. Şimdi nasıl yaşıyorum? E fabrika sağ olsun. Emekli etti hepimizi. Zaten iki boğaz kaldık evde. Emekli maaşıyla yaşıyoruz. Çiftçilik yok, çiftçilik mi kalmış?

<sup>24</sup> The participant is referring to the first period of the AKP government, starting in 2002.

<sup>25</sup> Benim gençliğimde, fabrika, Allah'ı var, ekelim diye her şeyi yaptı. Avansımızı verdi, pancar söküm zamanı söküm parası verdi, tohumu verdi, gübreyi verdi. E ne oluyor o zaman, iyi kazanıyorsun tabii. Şimdi Allah'ı var, hepimize güzel kazandırdı fabrika. Ne zaman ki bunlar geldi başa, fabrika bozulmaya başladı. Benim gençliğimde aldığımız ödemelerin hiçbirini göremez olduk. Şimdi çiftçilikte de her şey birbirine bağlıdır biliyor musun? Tarım varsa hayvancılık vardır. Hayvancılıktan da çiftçiliğe aktarıp öyle devam edersin hayatına. Önce işler yürüsün diye hayvanları satmaya başladık. İlk önce o bitti. E şimdi, elimizde ne varsa kaybettik biz bu süreçte.

privatization is evaluated as the last step in this transformation, and so the anti-privatization campaign seemed to the only chance to turn back to pre-1980s conditions from the viewpoint of these producers. One producer summarizes his reflections as follows

In the last year, Şeker-İş announces that an anti-privatization campaign will be started to prevent the selling of the factory. It is the most horrible scenario for us because we know that the ruling party wants to sell the sugar factories. When the campaign was started, we gave our support completely. We said ‘you cannot sell our factory’. The factory was the last chance of the peasants. We have already lost our lands. Then, the union added that the quota system would not be applied this year. This means we can freely decide how many decares of sugar beet we want to plant. At this point, we felt a kind of hope, and we wished that this campaign would be a chance to return to the old days. So, we did our best. However, the factory has gone again. Who will care about the farmers while the big bosses offer them<sup>26</sup> more beneficial bargaining?<sup>27</sup>

Figure 4<sup>28</sup> illustrates the extent of the withdrawal from sugar beet production and the impacts of the anti-privatization campaign organized by Şeker-İş in 2017. It is critical to note that although the number of households cultivating sugar beet (HCSs) increased to 13 households, by a rate of 26%, the rise in the amount of land cultivated with sugar beet is more dramatic, at a rate of 86%. When HCSs are considered together with the population density in Büyükmandıra, the campaign did not create full mobilization in the village to cultivate sugar beet as the locals suggested. This finding conflicts with the narratives of the locals. However, the general discouragement for sugar beet farming and the withdrawal from the

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<sup>26</sup> The participant references the members of the ruling party, i.e. AKP.

<sup>27</sup> İşte geçen sene, sendika duyurdu ki kampanya başlatıyoruz yoksa fabrikamızı satacaklar. Biz bunu bir duyduk, kalktık tabii ayağa. E biliyorsun sen de, görüyorsun işte satmadıkları bir o kaldı zaten. Ona da vakit gelecek biliyorsun ama yine de olmaz dedik. Satamazlar. Bir tek fabrikamız kalmış, toprağımız erimiş bitmiş zaten. Diğer yandan sendika dedi ki bu sene kota da yok. Kim, nereye kaç dönüm ekiyorsa ekebilir. İşte o zaman biz de bir heyecan başladı tabii. Mandıra, tekrardan büyür mü dedik. Elimizden ne geliyorsa fazlasını yaptık sırf fabrikamız eskiye dönsün diye. E dinlerler mi ama bizi kızım orada kodamanlar bunlara para yedirirken? Satıldı gitti işte.

<sup>28</sup> Data on sugar beet production per household were collected during personal interviews with a representative of Şeker-İş in Alpullu, as was done for the other villages. Unfortunately, the oldest accessible data belong to 2008.

production of this crop are not specific to 2017. While the average number of HCSs is quite low between 2008 and 2018, it dramatically falls to 20 households in 2018. The second critical point in this graph is related to the cultivation area. In 2017, although the increase in HCSs was 26%, the cultivated area increased at a rate of 86%. In this sense, it can be assumed that particular households demonstrated a resistance to continuing sugar beet cultivation. They reflect a high level of dependency on its cultivation due to its profitability on small-size lands. In this sense, the campaign represented hope from their perspective for the expansion of their subsistence and the revival of sugar beet production in the region, and the reduction of the quotas in 2017 encouraged them to cultivate more by renting leases.

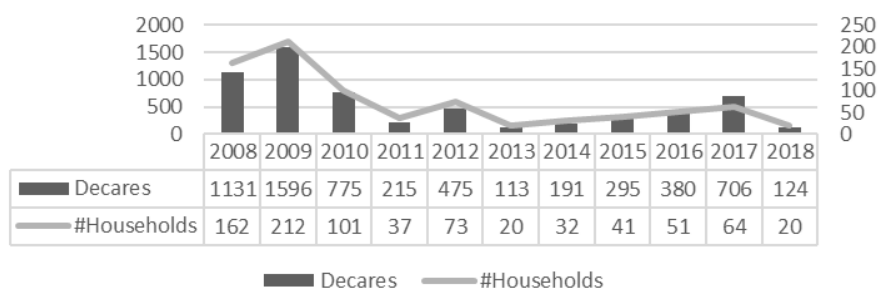


Figure 4: Sugar Beet Production per Household in Büyükmandıra

These experiences in Büyükmandıra show that the scarcity of agricultural land directly created a dependency on sugar beet production. In relation to the cultivation of sugar beet and its by-products, animal husbandry also developed in the village, and the producers sustained themselves mainly from the balance between husbandry and farming. On the one hand, the factory financially supported their production; on the other hand, husbandry also functioned as a source of income to cover initial expenses for farming, such as the price of seeds or fertilizers. When sowing time came, they tended to sell their animals to pay the initial expenses and thus escaped from any indebtedness. Furthermore, the high level of profitability of sugar beet production created an opportunity to invest in agriculture, such as buying tractors or running secondary local enterprises like restaurants in the village. However, they saw a breaking point in this balance starting from the 1990s. The

producers reported that they could never again reach a similar level of prosperity with the application of quotas since that system was a main obstacle to earning an adequate amount from sugar beets to keep the aforementioned balance. When their financial supports were suddenly removed, they started to sell their investments, animals, agricultural machines, and, in the end, their lands, as will be discussed in the next chapter.

The other critical pillar of the relations between the factory and the producers originates from their contracts with the factory as seasonal workers. After the harvest, the farmers began their subsequent roles in sugar production. They supplied the labour requirements of the factory on temporary contracts. These positions created an opportunity to retire as factory workers. Hence, their social rights in terms of benefits such as a retirement pension or access to the healthcare system were dependent on these positions in the factory.

Overall, the producers in Büyükmandıra had no chance to develop alternative strategies for staying in agricultural production. They could not shift to other crops like wheat or sunflower as a result of the land scarcity in the village. This situation made them highly dependent on sugar beet production and their subsistence as farmers was directly linked to the factory. Moreover, their positions in the factory as seasonal workers provided them subsistence even after the transformation of the factory, mainly via their retirement salaries. Therefore, they are dependent on the factory as a result of two different ties, and privatization was firmly rejected as a result of these dependencies. In the next subsection, the example of Pancarköy will show how an increase in the amount of agricultural land affected the relations between the factory and producers differently than in Büyükmandıra.

### **3.3. Pancarköy Village: An Example of Consensual Transition through Neoliberalism**

Pancarköy is a village of Babaeski located approximately 3 km away from the Alpıllu Sugar Factory. The history of its settlement began in 1912, with the



immigration of 80 people from Greece. However, it never became a focal point of immigration to the extent that Büyükmandıra did and its population density never reached levels similar to that of Büyükmandıra,<sup>29</sup> and so Pancarköy does not reflect a similar degree of development with Büyükmandıra in terms of infrastructural conditions. For instance, Pancarköy has only a primary school in the village; other levels of education can be obtained by either mobile teaching for secondary school or, as preferred by the locals, by immigration to urban areas to access public

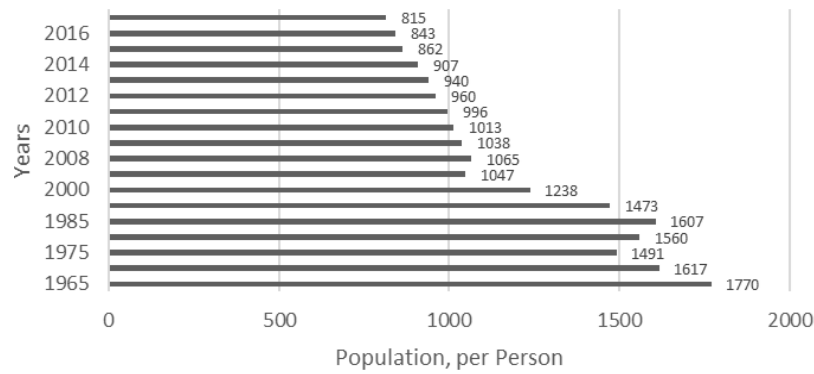


Figure 5: Population Change in Pancarköy

services. In the first case, the location for mobile teaching for Pancarköy residents is generally Büyükmandıra, and the other option is Babaeski.

In this respect, the village's low population density is defined by the locals as the main problem in the village. Except in the period between 1975 and 1985, its population has always had a decreasing tendency since 1965, as can be seen in Figure 5. It decreased by a rate of 15.8% between 1965 and 1975. It then increased by a rate of 7.2% between 1975 and 1985, reflecting the same tendency as Büyükmandıra. However, the increase was more rapid in Büyükmandıra, at a rate of 15.7%. Its downward trend increased rapidly between 1985 and 2000. The rate of decrease was 8.3% for the 5-year period between 1985 and 1990, becoming 16.0% for the 10-year period between 1990 and 2000. This is in contrast to the situation in Büyükmandıra, where the population continued to increase until 1997. The rate of

<sup>29</sup> Retrieved from <http://www.marmarahaber.com.tr/haber/34813/babaeskinin-tarihi-bir-koyu-pancarkoy.html> on 11.11.2019.

decrease in Pancarköy between 2000 and 2007 was 15.4% higher than that in Büyükmandıra. Between 2007 and 2008, the population in Pancarköy increased by 18 people, at a rate of 1.7%. Although that rate of increase is quite low, this is again in contrast to Büyükmandıra, where no upward trend was ever experienced again after 1997. Between 2008 and 2017, there is again no increasing tendency to be observed in Pancarköy, with a rate of decrease of 23.5% representing a downward trend faster than that of Büyükmandıra.

Therefore, the low population density and the downward trend in population are not newly emerged phenomena in Pancarköy in contrast to Büyükmandıra. While these phenomena directly align with the post-1997 period such that the locals interpret them as products of the transformation in sugar policies in Büyükmandıra, a similar situation cannot be observed in Pancarköy. The locals of Pancarköy even experienced a slight population increase in the post-1997 period, between 2007 and 2008. For them, immigration to urban areas is simply the fate of their village. Hence, there is no direct relation with the transition process from their perspective. During a group interview, one of the farmers (57 years old) explained the situation as follows

Doesn't agriculture give you enough money for your subsistence? It can give you, of course; you can earn enough money from agriculture if you work. For instance, I raised three children, thanks to my farming. All of them graduated from university with my income coming from agriculture. One of them became a teacher, and the others work in private companies in İstanbul. They earn nearly 4000 TL. I don't know their exact salaries, but none of them earns over 5000 TL. The same amount of money can be earned on our lands. However, our youth don't want to deal with any hard work. This is valid for all of our children in this village. For instance, if I tell my children 'let's go do the hoeing', they will not be willing due to its difficulty. Agriculture is a challenging sector. When you become a farmer, you don't have any kind of set working hours. Sometimes, I had to work nearly 18 hours in farming. However, [our children] have predetermined working hours. There is no risk in their professional life, like whether it will rain or not. Those conditions are comfortable for everyone, regarding the

limited working hours and light-heartedness about the job, so they consider agriculture as an enjoyable activity for their retirement.<sup>30</sup>

In other words, the main reason for the migration is not directly connected to the transformation in sugar policies and the subsistence of the locals in Pancarköy; rather, personal choice has served as the main dynamic for the locals' withdrawal from agriculture. One of the interviewees supported the previous arguments with the following words

God forbid, if our youth cannot find this kind of regular jobs, if they have to face any kind of financial difficulties, then they will return to their lands to maintain the agriculture. Now they all live in good conditions in the cities, and they can continue their life by working another job so that they can run away from agriculture, they don't want to work hard in farming. Maybe if we knew how to do other types of work, we would have done the same thing as them, but we knew farming. Maybe, I also didn't want to deal with the difficulties of agriculture, like our children. We know just how a seed can be sown. However, they don't understand how to cultivate them. They don't understand when the time comes for the harvest. Yet, if they have to face unemployment, if they cannot sustain their life in the cities, they will learn this job, because they also know that agriculture gives enough money, they can earn a sufficient amount from these lands. If I cannot profit as a farmer with time, how can they grow up? How can they become self-sufficient people? Thanks to God, we have everything. We have enough land to sustain our life. We have a sufficient amount of land to continue our life. They can also trust these lands whenever they face difficulty.<sup>31</sup>

In this sense, while the locals in Pancarköy do not break their ties with the land as the means of their subsistence and they make future references to the continuity of the cultivation of their lands, no sense of expectation from agricultural

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<sup>30</sup> Tarım kazandırmaz olur mu ya? Çalışırsan kazandırır. Bak mesela ben. Üç çocuğu da bu tarlalar sayesinde büyüttüm. Üçü de üniversite mezunu, çalışıyorlar şimdi. Biri öğretmen, diğer ikisi özelde İstanbul'da. Alıyorlar 4000 maaş mesela. Tam rakamlarını bilmiyorum ben onların ama 5000 üzerinde yok hiçbirinininki. Aynı parayı sana bu tarla da verir ama bizim gençlerimiz zora gelemiyor. Hangimizinki öyle değil ki? Gel çapa yap desen zor gelir. Tarım zor iş. Mesai saati falan dinlemez. Yeri geliyordu günde belki 18 saat çalışıyorduk tarlada. Şimdi onların girişi çıkışı belli. Yağmur yağdı mı, yağmadı mı derdi yok. Kolay geliyor tabii öyle çalışmak.

<sup>31</sup> Bak, Allah korusun zorda kalsınlar; çalışacak böyle işler bulamasınlar, nasıl paşa paşa dönüyorlar tarlalarına. Şimdi imkanları iyi, başka yerlerde çalışarak geçinebiliyorlar. O yüzden topraktan kaçıyorlar, işten kaçıyorlar. Belki biz de başka iş yapmayı bilseydik, biz de onlar gibi yapardık. Biz bi' tarla işini bildik. Onlar şimdi anlamaz da hangi ürün ne zaman ekilir. Ama zorda kalsınlar, iş bulamasınlar, ilk dönecekleri yer gene bu topraklar çünkü onlar da biliyor çalışırlarsa buradan iyi kazanacaklarını. Kazanamasak, nasıl geleceklerdi bu günlere. Allaha şükür bizim her şeyimiz var. Toprağımız yeter hepsini doyurmaya.

production can be found in Büyükmandıra. This situation in Büyükmandıra is directly related to the dramatic levels of land lost. Land sales are also common in Pancarköy; however, these sales occur with different motivations than in Büyükmandıra. Rather than a means to pay back personal debts, traditional reasons for selling land, like the marriage of their children or giving the children money to buy a house or a car, seem more common in Pancarköy. One of the farmers (61 years old) reports

Is there anybody who does not sell the land? I have also sold some amounts of land over time, nearly 7 or 8 decares. However, thanks to God, I didn't have to do that from an obligation to pay my debts. In this village, this story is nearly always the same. Generally, we sell our lands when our children marry. We pay for their wedding ceremonies and furnish their houses.<sup>32</sup>

In holding with what this interviewee says about the amount of agricultural land, Pancarköy can be differentiated from Büyükmandıra in terms of its land capacity of nearly 20,000 decares.<sup>33</sup> The selling of less overall land does not entail a total withdrawal from agriculture in this sense. Furthermore, the different land capacities between the villages also directly affect how locals experience the transition process of the sugar policies. While a farmer can develop adaptation strategies for the new conditions in the agricultural market by shifting to other crops like sunflower, canola, or wheat in the case of withdrawing from sugar beet production in Pancarköy, that is not possible for the farmers of Büyükmandıra due to the scarcity of land. In other words, the dependency on sugar beet is reduced with the possibility of choosing among a wide variety of crops in Pancarköy, and these farmers can sustain themselves with the cultivation of other crops. During the group interviews, one of the participants summarized this situation as follows

When beet was sowed more widely, and we could earn sufficient income from it, there was a kind of proverb here. We said that a man should be

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<sup>32</sup> Toprak satmayan var mıdır aramızda ya? Ben de sattım toplamda yedi-sekiz dönüm kadar zaman içerisinde ama Allah'a şükür borçtan harçtan satmadım. Hepsini bi' anda satmadım ama. Çocuklardan biri evleneceği zaman sattım. Çoğumuz için de böyle bu durum. Çocukların evlenme zamanlarında sattım hep. Onlara düğün yaptım, evlerini düzdüm.

<sup>33</sup> This figure was supplied by the *muhtar*, or elected neighbourhood representative.

referred to as a farmer even if he sows beets. Later on, this proverb was repeated in another form, like that a man should be mentioned as a farmer even if he sows canola. Now, canola is over. I don't know what we'll say in the next years. The main idea behind this proverb is that the main crop can be changed from one year to another. It depends on the agricultural support for the crops. At the beginning of the season, we consider which crops get more financial support, which is more profitable for us, and then we plant that.<sup>34</sup>

However, their adaptation to the new conditions in the agricultural market does not mean that their living standards and purchasing powers have remained similar following their withdrawal from sugar beet production. After the decrease in the profitability of sugar beet production, animal husbandry could not be maintained in the village, similar to Büyükmandıra. When the profits from husbandry disappeared, they first had to stop their agricultural investments, and then the selling of their animals began. Accordingly, sugar beet is the preferable crop for producers in Pancarköy, as in Büyükmandıra. Although they can sustain themselves without sugar beet cultivation, the continuity of their investments is directly dependent on its production in this sense. Hence, the benefits of beet production are mentioned in Pancarköy as 'good memories' and the changing conditions are received with less willingness. One of the farmers (56 years old) explains this local response with the following words

If we were going to continue beet production, we would still have husbandry. The by-products of beet, like bagasse, are the main reasons why husbandry developed in this region. If we cannot harvest the beet and get its bagasse, then we have to feed our animals with chaff, but we don't have sufficient income to spend on chaff. That takes extra money. Mind you, we are also getting older, and we don't want to deal with this job, with husbandry. What if we still had animals today? For instance, we could get our seeds with cash rather than paying our expenses with the post-harvest revenues. Seeds are a kind of debt now. If we had animals, we could sell one of them and could pay our agricultural expenses directly. Then, after the harvest, when we would sell our beets, we could buy the animal back with the income coming from beets. Or, just as another example, we could

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<sup>34</sup> Bir zaman "pancar ekmevene çiftçi demeyiz" derlerdi bu köyde. Sonra o "kanola ekmevene çiftçi demeyiz"e dönüştü. Gerçi şimdi kanola da kalmadı. Şimdi ne yaygın, neye diyeceğiz bakalım. Değişiyor demem o ki yıldan yıla. Hangi ürüne destek daha iyiyse, oturduk hesabımızı kitabımızı yaptık o ürünü ektik.

buy additional fields. Well, that would be nice. We were glad about the production of the beets. However, it is over now. What can we do? Should we beat ourselves up over this?<sup>35</sup>

Similar to their attitudes about the population decrease, the locals do not define a direct relation between the change in the sugar policies and the decrease in their purchasing power. The main reason for this seems to be that the post-1990 period is not considered together with bankruptcy; rather, it is evaluated as a chance to make use of personal initiatives, in contrast to the situation in Büyükmandıra. The interviewees observed that opportunities were created to enlarge their family farming by personal initiatives, while this kind of situation would not have been considered before the 1980s. Moreover, they describe the ‘success story’ emerging in their village as an example of free enterprises. In group interviews, the ‘story’ was explained as follows

CTO Crop and Agriculture was established in this village. Its founder is from our village. He still lives here. In the beginning, he had nearly the same amount of land as us. We are basically all equals. However, he could grow his business. In the beginning, he sowed both his fields and leases. Later on, he started to buy from whoever he sold his fields to. He also encouraged one of his children to become an agricultural engineer. Other children also helped him in the fields. Then, the company, CTO Crop and Agriculture, was established as the last step. Now, they have a big business. The younger son, who is the agricultural engineer, knows how certified seeds should be sowed. They sell these seeds and this boy gives consultancy services to farmers.<sup>36</sup>

Therefore, the image of the post-1990 period entails ‘entrepreneurialism’ and ‘personal choice’ for the locals. CTO Crop and Agriculture is not an exceptional

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<sup>35</sup> Pancar ekmeye devam etseydik, hayvanımız olurdu. Şimdi biliyor musun onun küspesiyle hayvan doyuruluyor, yemeği çıkıyor. Pancar olmadan, onun samanına para yetişmez. Gerçi biz de yaşlandık artık, hayvanla da uğraşmak istemiyoruz. Hayvan olsaydı artısı ne olurdu? Peşin alırdık tohumumuzu, yazdırmazdık mahsul sonuna. Satardık bi’ tanesini, öderdik hemen. Mahsulü alınca yerine hayvanın yenisini koyardık. Ya da ne bileyim iyi arsa çıkarsa, biraz daha toprak alırdık. Olsa iyiydi tabi ama yok diye de kendimizi mi paralayalım?

<sup>36</sup> CTO Ekin Tarım var mesela. Bizim köylümüz, burada yaşıyor hala. Öyle aman aman babadan kalma toprak farkımız yok. Üç aşağı beş yukarı aynıdır hatta hepimizin. Ama o büyüttü işi. İlk başlarda icar aldı. İcara da ekti, kendi tarlasına da ekti. Sonraları mesela biri toprak satıyor, gitti onu satın aldı. Çocuklarından birini de ziraat mühendisi olacak şekilde okuttu. Şimdi çocukları da yanında, şirket kurdular ailecek. Öyle büyüdüler ki. Bu küçük oğlan, ziraat mühendisi olan tohum işinden anlıyor, sertifikalı tohum satıyorlar bir yandan.

case for them; three households in the village have also experienced such positive growth. When asked in a group interview why these kinds of ‘successes’ cannot be observed in Büyükmandıra, the locals answer this question with the same patterns of logic. The main idea of their answers is summarized by one of the farmers as follows

You know, the people in Büyükmandıra love having fun. After all, Büyükmandıra is famous for its local fun. They all lived in an enjoyable social environment. In those years, they earned proper incomes, and they could create that rich environment with that money. I don't want to say that they wasted their money for nothing, but they didn't follow the same path as our people. In addition to that, many of them tried to get rich fast. In those days, the banks gave the credit, but how you would use that money was your choice. Either you could establish a company, or you could waste it. They could not fully benefit from these opportunities. They supposed that those incomes could always be obtained.<sup>37</sup>

Thus, the differences between these two villages are explained with Büyükmandıra's failure to make use of the opportunities and savings with the right investments. The post-1990s period presented an open arena for seizing new positions in the newly emerged market. The producers in Pancarköy feel that while responsibility in the changing atmosphere belongs to individual actors, success in the new atmosphere is related to the capacity to trade and the ability to make profitable predictions. One of the producers explains this perspective as follows

When the factory started to change its policies for the farmers, and we found ourselves in a disadvantaged situation due to the quota or the polarization system, we considered that the factory wanted to stop beet planting. The factory didn't care about its farmers. In this situation, why would we argue with this huge factory? If it wants to end beet planting, it will be finished by the end of the day. Then, we thought that we should turn to another crop. We considered which crops would be more beneficial for us. This means that withdrawal from beet production was earlier for us than Büyükmandıra. However, the farmers in Büyükmandıra took on a challenge with the factory. They hoped that the factory could be returned to the old

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<sup>37</sup> Şimdi biliyor musun, Büyükmandıra'nın insanı eğlencesine düşkündür. Zaten meşhurdur o köy eğlenceleriyle. Güzel yaşadı onların hepsi. İyi de kazandılar, iyi de harcadılar zamanında. Bildiler parayla nasıl eğlenileceğini. Çarçur ettiler kazandıklarını demek istemiyorum da, bizim insanımız gibi yapmadılar işte. Bir de şey var, kısa yoldan zengin olmaya da çalışan çok oldu orada. E banka veriyor tabi krediyi, krediyle ne yapacaksın şirket mi kuracaksın başka şey mi sana kalmış. Bilemedi onlar, para hep gelir sandılar.

days. They refused to withdraw from beets and kept planting until their debts were sky-high. They didn't follow the same path as us. Of course, the result could be predicted. If you try to deal with the factory and maintain beet planting, you have to face massive debts.<sup>38</sup>

In this respect, the impacts of the transformation in the sugar market were reduced by their personal choices in the process. The post-1990s saw their ability to adapt to new conditions, in contrast to what they perceived as an irrational persistence in pursuing sugar beet cultivation in Büyükmandıra. Due to this irrationality, according to the locals of Pancarköy, the producers in Büyükmandıra had to give up farming. However, their choices are being evaluated independently of their advantages for developing alternative strategies. The following statement explains more clearly how producers in Pancarköy could develop this adaptation ability with the possibility of shifting to other crops

No one told us that we should give beet planting up because it would be harmful to us. It was our own decision. We considered it, and then we decided that withdrawing would be more advantageous. For instance, I gave it up in 1985. At the end of the 1990s, beet planting lost its importance for this village. I thought that I could not deal with beet planting due to the changing conditions and then I started to plant sunflowers. In those days, I chose Trakya Birlik<sup>39</sup> to work with, rather than the factory. I didn't consider about how I could gain more income; rather, I chose it because even if I earned less than with beet planting, it would be under the protection of Trakya Birlik. In the last year, Şeker-İş started a campaign to continue beet planting in this region and so all of us planted a few sugar beets to show our support. Other than this, none of us demands that we earn more, we increase our capacities, we increase our animals... If we can meet our needs and save a little for our children's future, we say that our incomes are enough. Everyone can follow similar paths. You ask us why someone amasses debts while our situations stay nearly the same for the last 20

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<sup>38</sup> Baktık ki fabrika bozulmaya başlamış, eskisi gibi yürümüyor işler. İşte ne bileyim kotasıdır, kantarıdır, polarıdır uğraştırıyor bizi; ekelim istemiyorlar belli ki. E ne diye kavga edeceğiz koskoca fabrikayla. İnatlaşmadık biz, öyleyse başka şey ekeriz dedik. Belli nasıl olsa işin sonu. Gene böyle oturduk arkadaşlarla, hangisi iyi kazandırıyormuş baktık. Ekmedik pancar, daha eskidir bizim pancarı bırakmamız yani onlardan. Fakat, Büyükmandıra'da eskiye döner sandılar. İyice batana kadar pancardan kazanırız sandılar. Bizim yaptığımızı yapmadılar onlar. E inatlaşınca pancarda, ne oldu tabii. Ödeyemez durumuna düştüler tabii borçlarını da.

<sup>39</sup> It is a co-operative that brings all sunflower producers together.



years. However, you should ask them why they don't behave like us. What I'm trying to say is that the difference occurs due to personal choices.<sup>40</sup>

In keeping with this interviewee's statements, the cultivation of sugar beet per decare and HCSs did increase in the campaign year, although this did not reflect a return to dependency on sugar beet production. However, Figure 6 shows that although they stressed their collective support for the campaign by cultivating sugar beet, this support did not reflect the true cultivation level like that in Büyükmandıra. Even if the support was limited in 2017, the increase in the cultivated area and in HCSs is remarkable. While the rate of increase in cultivated area for sugar beets was 1474.0%, HCSs increased by 300.0%. In Büyükmandıra, these rates were 129.2% for cultivated area and 85.8% for HCSs. Therefore, the support for the campaign seems much higher in Pancarköy than Büyükmandıra in terms of proportional levels. However, two critical differences between the villages must be taken into account before making such a comparison between them. First, while the land

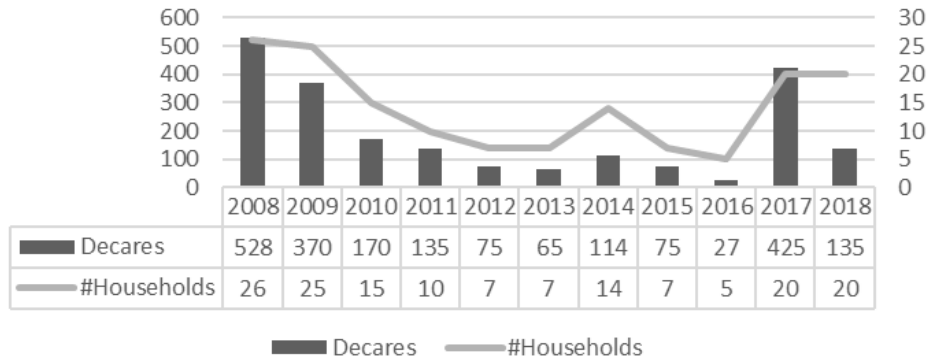


Figure 6: Sugar Beet Production per Household in Pancarköy

<sup>40</sup> Kimse bize 'bakın pancar ekmeğin, zarar edeceksiniz yakında' demedi ki. Biz kendimiz karar verdik, oturup düşündük taşındık. Mesela ben 1985'te bıraktım ekmeği. Tabii her birimizin oynar arasında bu zaman üç aşağı beş yukarı ama 90ların sonuna geldiğinde zaten bitmişti bizim için. Çekilmez bunun derdi dedim, başladım ayçiçeğine. Yağlı tohumlarla çalışmak daha kolaydı o zaman, ondan bıraktım. Çok kazanayım demedim de kazancım en azından belli olsun, ödememi zamanında alayım, fabrikadaki gibi olmasın dedim. Az kazanayım ama başım ağrımasın dedim. 90ların sonuna geldiğinde bu köyde neredeyse bitmişti zaten pancar. Geçen yıl, sendika işte seferberlik başlattı. Destek olduğumuzu göstermek için herkes birkaç dönüm ekti. Onun dışında hiçbirimiz büyüyelim de çok paramız, hayvanımız olsun da demedik. Geçinebiliyor muyuz, iyi kötü elimize bir şey kalıyor mu, o da çocuklar için, ona baktık. E herkes böyle yapabiliirdi. Şimdi sen soruyorsun birisi neden borç batağında da siz iyisiniz. E sormak lazım onlara, niye bizim gibi yapmamışlar. Tercih meselesi demem o ki.

capacity in Pancarköy is higher than that in Büyükmandıra, the sugar beet cultivated area was always lower than that of Büyükmandıra between 2008 and 2018. Secondly, as lack of land capacity is an ongoing problem in Büyükmandıra, the high level of land loss has also become a limiting factor for sustaining an increase in sugar beet cultivated areas. In this sense, while the farmers in Pancarköy cultivated sugar beet on 425 decares in 2017 in an environment with an abundance of land, the producers in Büyükmandıra cultivated it on 706 decares while coping with land scarcity.

The reason for the farmers in Pancarköy to support the anti-privatization campaign for the factory in spite of withdrawing from sugar beet production is explained as a choice rather than any kind of obligation. One of them described this attitude in a group interview as follows

All villages are close to each other in this region. This means all peasants are familiar with each other. Moreover, the factory gave job opportunities to all of us. I mean, all the peasants met each other from both the factory as seasonal employees and as farmers in this region. Of course, we don't want the privatization of the factory. Although there are no dramatic effects for our lives, its privatization will affect others directly. If we can support their demands in any way, like a petition or planting sugar beet again, of course we will. What kind of damage can occur in my life if I plant some amount of sugar beets? I don't make a loss, but someone can continue to sustain his life when I plant. Of course, I wish that all farmers in this region could sustain their lives. However, the anti-privatization campaign did not end with any kind of acquisitions. The factory has already sold.<sup>41</sup>

It seems that the idea of locality is dominant in their understanding of this situation, and it creates solidarity with other farmers in the region. Furthermore, the locals in Pancarköy, similar to Büyükmandıra, worked for the factory as seasonal workers and so they obtained social rights and retirement salaries as benefits from

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<sup>41</sup> E tüm bu köyler yakın birbirine. Bir yandan da herkes bilir birbirini. Hepimiz yedik o fabrikanın ekmeğini. Hem fabrikadan tanışırız hem çiftçilikten. İstemeyiz tabii fabrika kapansın. Bize zararı yok, hele şu saatten sonra değişen olmaz bizim hayatımızdan ama başkalarına kötü oluyor. Elimizden gelen bir şey varsa, ne bileyim imza vermek olur, bilir misin imza toplamışlardı bir ara fabrika kapanmasın diye, ne bileyim pancar ekme olur yaparız. Ne kaybettirir ki bana birkaç dönüm kadar da pancar ekme? Ama onlara kazandırabilir. E onlar da kazansın. İşe yaramadı o ayrı. Satıldı sonuçta.

the factory to maintain their subsistence. Although their dependency on the factory as sugar beet producers was quite weak with the development of alternative strategies in agricultural production, they kept their relations with the factory as seasonal workers and their rejection of the privatization process was shaped by these ties.

Overall, the producers in Pancarköy experienced an increase in their investments until the 1980s. The cultivation of sugar beet was the main form of subsistence in this period, and its by-products were the main means to increase their investments, especially with the development of husbandry in the village. Moreover, the farmers worked in the factory as seasonal workers after the harvest, thus creating two different types of relations with the factory. One pillar of these relations is that the locals are the producers of sugar beet, supplying the sugar beet requirements of the factory; the second pillar is that the locals are the workers in the factory to process sugar beet by supplying the factory's labour requirements.

Similar to Büyükmandıra, the producers in Pancarköy experienced a decrease in their income levels in the 1990s. However, they could develop an alternative strategy to remain in agricultural production during the transition period in the sugar market. The impacts of this period seem more tolerable for them compared to Büyükmandıra, since their land holdings allowed them to shift to alternative crops including sunflower and canola. Therefore, although their income levels decreased with time and they had to abandon animal husbandry, they could find new ways to sustain themselves by maintaining agricultural production. Meanwhile, they did not experience bankruptcies in the village, as opposed to Büyükmandıra; they observed the possibility of increasing levels of wealth after the 1990s. CTO Crop and Agriculture was established in the village as an example of free enterprise. Hence, the post-1990 period is identified by the opening of free enterprises and investment channels, while the bankruptcies are thought to be due to personal failures.

Although the withdrawal from sugar beet production was tolerable for them, they still rejected the privatization of sugar factories for two reasons. On the one

hand, they are linked to the other farmers in the region with a sense of shared locality and so they try to support the benefits of their peers. On the other hand, they gained social rights of their own, such as retirement salaries, by working in the factory. In this sense, although they are not dependent on the factory in terms of sugar beet production to the extent of the farmers in Büyükmandıra, their roles in the factory as seasonal workers after the harvest do create a tie with the factory. Their rejection of privatization is thus shaped around these two types of ties. In the next subsection, I will summarize the situation in the village of Dügüncülü, illustrating conditions opposite to those of Pancarköy due to natural constraints on agricultural production.

#### **3.4. Dügüncülü Village: The Effects of Nature on the Transition Process**

Dügüncülü is a village of Babaeski located approximately 2.8 km away from the Alpulu Sugar Factory. The history of the village starts from the 1800s. It is thus a historically significant settlement in the region. This fact is reflected in its population density; it had been evaluated as one of the most crowded villages in the region until the 1990s. Although its population was similar to that of Pancarköy in those years, the village experienced immigration in the 1980s. In those years, it lost the bulk of its population density and transformed into the most underdeveloped village in comparison with Büyükmandıra and Pancarköy. Although the village has a primary school building, it does not use it, and education services are provided with transportation to other nearby villages, similar to Pancarköy. However, an office of the national postal service and a small community hospital exist in Pancarköy, while Dügüncülü has neither of these.

The demographic changes in Dügüncülü are illustrated in Figure 7. While its population decreased from 1749 residents to 1561 at a rate of 10.7% between 1965 and 1970, it showed an increasing tendency at a rate of 4.1% between 1970 and 1975. Thus, the rate of decrease was higher than the rate of increase in this 10-year period between 1965 and 1975, and the population never reflected an upward trend again. Between 1975 and 1985, the population decreased by a rate of 11.1%. However, both Büyükmandıra and Pancarköy experienced upward trends in their populations in the same period. Between 1985 and 1990, the rate of decrease was 5%. In the same period, while the population in Büyükmandıra was rising, Pancarköy lost population at a rate of 8.3%. Hence, the decrease in Dügüncülü was less than that in Pancarköy in this period. The years between 1990 and 2000 were the most critical period in terms of its population density, as it decreased at a rate of 37.0% while Büyükmandıra continued to grow and Pancarköy lost population at a rate of 16.0%. Between 2000 and 2007, the rate of decrease in Dügüncülü was 17.2%, while it was 15.4% in Pancarköy and 11.0% in Büyükmandıra. Therefore, in these years, the rate of decrease was higher in Dügüncülü than in the other villages. Although its population increased by three people between 2007 and 2008, it saw a high level of decrease at a rate of 22.3% between 2008 and 2017. While this downward trend was slower than that in Pancarköy in this period, it was faster than in Büyükmandıra.

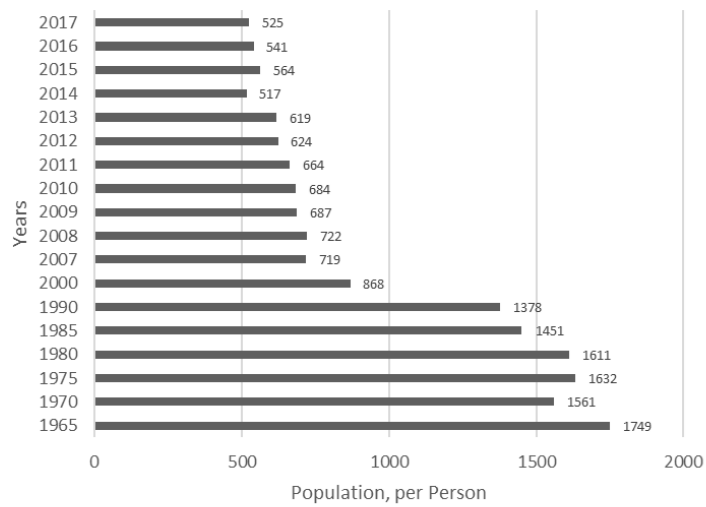


Figure 7: Population Change in Dügüncülü

The village never again experienced an upward trend in its population density, in contrast to Büyükmandıra, and it has maintained its decreasing tendency since 1965, similar to Pancarköy. The main reason for this population decrease is said to be the withdrawal from sugar beet production and the changing sugar policies, in contrast to Pancarköy and similar to Büyükmandıra. The high level of migration between 1990 and 2000 is directly linked by the locals to the reduction of producer-friendly sugar policies and the collapse of the sugar factory. The farmers in the village are directly dependent on sugar beet production for two reasons. On the one hand, the village already suffered from a lack of land capacity, similar to Büyükmandıra. One of the farmers (43 years old) summarizes this dependency on sugar beet cultivation as follows

We cannot earn an adequate amount from agriculture due to the lack of land. If we make a comparison between the profits of sugar beet and wheat, our dependency on sugar beet can be understood. If you plant wheat, per decare your expenditures to buy seeds will be nearly 50 TL, and you will pay 80 TL for fertilizer, 30 TL for pesticides, and nearly 30 TL for diesel to use in the field. To reap the crop, you will pay 23 TL. If you cannot plant your own field and you have to lease, that expenditure is nearly 130 TL. If your harvest is fertile, you get nearly 400-450 kg of wheat, and wheat is being sold for 85 kuruş a kilo this year. As you see, you cannot make any profits. However, if you plant sugar beet, per decare, you don't pay for these mandatory expenditures like seeds or fertilizer, the factory will give them to you. Then your profit will be nearly 1500 TL. However, the factory is already gone; we cannot plant sugar beet. If I don't have a salary, how can I sustain myself? We always suffer from a lack of agricultural land. If you don't have larger fields, you can't profit from either sunflower or wheat. In our conditions, the only advantage for us was the factory. In the past, people could work there, and they could save money thanks to it. Then they would take out leases from other villages with that money. They could plant the beets. Beets were always beneficial for us due to the by-products. People could buy animals thanks to the profits of beet and its cosettes were used to feed our animals. Now, when the factory has gone, everything is lost. Now we have to take out a loan to sustain ourselves until our next salary comes.<sup>42</sup>

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<sup>42</sup> E şimdi düşünsene, hem toprağımız az, para kazanamıyoruz. Bak şimdi şöyle bir hesap yapalım seninle. Bu seneki buğday ve pancar giderlerini hesaplayalım dönüm başına sonrada elimize ne kadar kalacak o dönemden onu söyleyeyim. Bak hak vereceksin sen de. Derdimiz sırf şikayet olsun diye değil yani. Eğer bir dönüme buğday ekersen, 50 tl tohumluğun tutar, 80 tl gübreye verirsin, 30 tl ilaç, 30 tl de tarlada yaktığın mazot desek. E ürün olunca biçme parası ödemen lazım ki biçer-döverle

On the other hand, they cannot use all of the agricultural land in the village because river flooding is a vital problem. The current agricultural land, as reported by the *muhtar*, is nearly 9,000 decares, but the amount that can actually be used changes from one year to another based on the level of river flooding. As other industrial crops like wheat or barley have high levels of risk due to their vulnerability to unpredictable climate conditions, the farmers in Dügüncülü have to choose water-resistant crops like sugar beet to protect their labour and ensure their subsistence at the end of the harvest season. Furthermore, the population density of the village in the pre-1990s period on a limited amount of land is presented as another reason for the land scarcity. The agricultural land is passed on via inheritance, and it gets divided into smaller units among siblings within a family; as a result, the structure of family farming was altered and effective usage of the land could not be continued in the village. This situation was explained during a group interview as follows

There are two fundamental problems here. First, we always have to deal with flooding. When the weather is going to be rainy, or the river overflows, our lands remain under water. That is why wheat or sunflower cannot be an alternative for us. They are always risky. However, sugar beet is a decent harvest for us. It grows underground. When our lands are submerged, the beet harvester cannot run on the land, and we have to harvest the beets with our own force, but the beet harvest is enough for our subsistence, even in those unfavourable conditions. Secondly, our land is limited. For as long as I've known, our land has always been limited, but now, the situation is more miserable. For instance, our father bequeaths land for each of the siblings. In his time, we subsisted on this land as a family. But after my father's death, the land was divided into small pieces,

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gelip biçsinler. Bir dönüm topraktan, eğer o sene iyi verim aldıysan 400-450 kg buğday çıkar. Kilosu 85 kuruştan satılıyor bu sene. E hadi bir de kendi toprağın da yok, icara ektin diyelim. Buğdayın icarlık toprağı 130 tl ortalama bu sene. Toprak da kendinin değilse zaten zarar yaptın. Pancara gel şimdi, gider kalemlerinin hepsi fabrikadan avans verilir zaten. O ilk harcamaların hiçbirini yapmazsın. Eğer 14 polarlık pancar hasat ettiysen o sene, eline çok net biçimde 1500 TL kar olarak kalır. Pancar da ekemiyoruz, fabrika yok ortalıkta. E benim maaşım olmasa? Nasıl yaşayacağım ben? Bak gördün sen de zarardayım. Bu iş hep böyleydi. Hep çektik bu toprağın olmamasından. Eğer çok çok değilse senin tarlan, ne ayçiçeğı ne buğday para bırakır. Ama işte zamanında fabrikada çalışanlar oradan kazanmış. Kenara para koyup başka köyün toprağından icar almış, oraya da ekmiş. Pancardan kazanmış, pancar hayvanı doyurmuş ondan kazanmış. Şimdi hiçbirisi yok. Ancak borç alıp onu yiyelim, ayın sonu nasıl gelecek diye düşünelim.

and five different families started to subsist on this amount. How can you manage your life with this amount? The entire land of this village is nearly 10,000 decares. How can we live with all these people on this amount?<sup>43</sup>

Although land division through inheritance was also described as a problem in Pancarköy, its effects there are more tolerable thanks to the village's sufficient land capacity. For Büyükmandıra, meanwhile, the high rate of selling land makes this a secondary problem. Land selling can also be observed in Dügüncülü; however, the flooding of the fields depreciates the value of the agricultural land and so the demands for agricultural land in Büyükmandıra are higher than in this village.

Furthermore, the harvesting of land that is under water is a fact in their lives. In addition to the high level of dependency on sugar beet cultivation as an underground crop, the flooding is a disincentive for the usage of agricultural machines. Agricultural machinery cannot function on flooded land and so agriculture in the village must be continued with highly labour-intensive approaches. Hence, animal husbandry is a preferable sector for sustenance with its relatively safe nature in the face of the climate conditions in the village. However, with the close relationship between sugar beet cultivation and the development of animal husbandry, the dependency on sugar beet production is reproduced again. In this sense, the pre-1990s period is referenced as the golden age of the village with the impacts of sugar beet production in collaboration with the sugar factory. The end of husbandry is identified as an aspect of the post-1990s period, similar to the experiences in Pancarköy and Büyükmandıra, and so I will not focus on this process again here.

With the end of sugar beet production and husbandry, agriculture could not be continued as the main source of income, and it has always been evaluated as a

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<sup>43</sup> İki temel dert var burada. Birincisi bizim toprağımızı su basar. Sürekli taşkın olur. Yağış olur, nehir taşar. O yüzden ayçiçektir, buğdaydır bize gelmez. Pancar güvenli. Toprağın altında. Su basması oldu mu, onun sökülmesi de ayrı zahmet ama yine de kendini kurtarır. Sonra, toprağımız az bizim. Oldum olası az. Bir de toprak bölünüyor üstelik. Mesela babamdan kalmış büyükçene bi' toprak. Önceleyn bir aile geçinirdik. Sonra beş kardeşe bölündü. Her birimize düşen toprağı sen hesap et. Nasıl geçineceken azıcık toprakla. Düşün, bu bütün köyün toprağı taş çatlasın 10.000 dönüm kadardır. Nasıl yaşasın bunca insan.



secondary income source from the post-1990s period. The locals can sustain their lives in two different ways today. The dominant approach depends on their retirement salaries coming from their status as seasonal workers in the factory. This situation creates a tie with the factory similar to that seen in Büyükmandıra and Pancarköy. The second approach is to continue working other jobs while cultivating their lands as sources of side income to earn enough money to sustain themselves.

As a result of the high level of dependency on sugar beet planting in the village, the transformation of the sugar factory is firmly rejected. Moreover, while outward immigration is explained with the transition, the suggested solution is a return to the developmentalist age of sugar policies. The locals stress their support of the anti-privatization campaign of 2017 by linking their subsistence with the existence of the factory. However, similar to Pancarköy and Büyükmandıra, the high level of support expressed in interviews cannot be observed in the actual statistics.

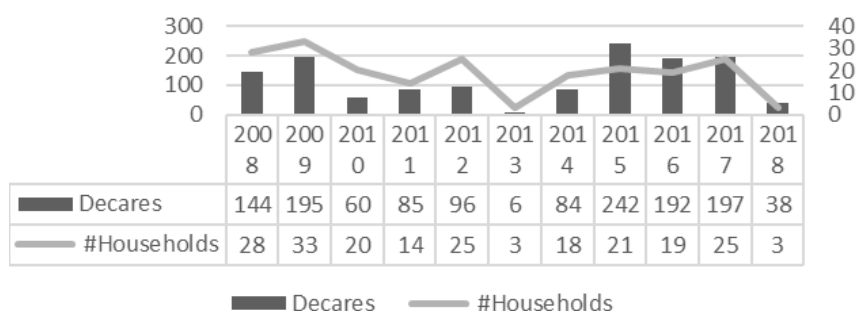


Figure 8: Sugar Beet Production per Household in Dügüncülü

During the campaign period, the number of HCSs increased from 19 to 25, at a rate of 31.6%. This was quite lower than the rate of increase in Pancarköy of 300.0% and the rate of 85.8% in Büyükmandıra. The sugar beet cultivated areas showed a very slight increase, rising from 192 to 197 decares at a rate of 2.6%. This rate was 129.2% in Büyükmandıra and 1474.0% in Pancarköy. More importantly, these data reveal the degree of withdrawal from agriculture in Dügüncülü. The same households in the village maintained their sugar beet production between 2008 and 2017 if agriculture was a side source of income for their subsistence. When

agricultural production is an obligation for sustenance, the most preferable crop is sugar beet, with its profitability and security. For others, however, the retirement salary seems to be enough to continue their lives in the village, and they withdraw from agricultural production. A similar situation can also be seen in Büyükmandıra. The impact of the campaign is limited in these villages due to the high level of withdrawal from agriculture. However, the population density in Büyükmandıra is still higher than that of Dügüncülü, and the proportions are higher than in Dügüncülü at the same time. In Pancarköy, agriculture can be maintained with alternative strategies and so cultivation is continued by locals in the village. When an opportunity emerges for them to cultivate sugar beet, these producers can either decide to cultivate sugar beet or continue with other crops such as wheat or sunflower. This is not an option in Büyükmandıra and Dügüncülü. If the producers in these villages are dependent on cultivation for their subsistence, sugar beet is their only option; in other words, sugar beet is an obligation, not a preference for them, due to the scarcity of agricultural land, and so sugar beet production is continued by the same households.

Therefore, similar to Büyükmandıra and Pancarköy, Dügüncülü started to experience the neoliberal transformation in sugar policies with the 1990s. Its first impacts can be identified in the high levels of immigration from the village between 1990 and 2000 at rates higher than those in the other two villages. This immigration is related to the insufficient land capacity in the village, similar to Büyükmandıra. However, in addition to its historic land scarcity, river flooding as a natural constraint also creates a limiting factor for agricultural production in Dügüncülü. This distinguishes Dügüncülü from Büyükmandıra in two crucial regards. On the one hand, the land in Dügüncülü is less valuable compared to Büyükmandıra and so Dügüncülü has never reached the same levels of wealth. At the same time, less land is sold than in Büyükmandıra since the demand for Dügüncülü's agricultural lands is always lower compared to Büyükmandıra due to the higher risks of flooding.

This natural shortcoming of Dügüncülü is the main reason for the locals' dependency on sugar beet planting, in addition to land scarcity. While other crops

like wheat or sunflower are highly sensitive to climate conditions, sugar beet grows underground and can thus survive even in submerged areas. With the impacts of this natural constraint on production, locals cannot develop an alternative strategy to maintain agricultural production after withdrawing from sugar beet production. Today, the main means of subsistence in the village are the retirement salaries obtained as seasonal workers in the factory, similar to Büyükmandıra and Pancarköy. This situation creates an additional link with the factory. Although the locals are now generally removed from agricultural production, they still feel a connection as a result of their working histories. Therefore, while the transformation of sugar policies and the end of the developmentalist period have meant destruction for the village, both economically and demographically, the privatization of the factory is rejected based on their strong dependency on the factory in two ways. First, their life in agriculture can only be sustained by sugar beet planting, and second, even if they do withdraw from agriculture, their lives are then sustained by the social benefits they earned by working for the factory. In this sense, the situation in Düğüncülü can be said to be similar to that in Büyükmandıra.

Throughout this chapter, I have summarized the different social conditions that emerged in these three different villages as a result of their different positions in the transition process. Migration, the end of animal husbandry, and withdrawal from sugar beet production are the common features for these villages in this process. The other common feature is that the locals worked in the Alpullu Sugar Factory as seasonal employees and thus earned social rights upon retirement; in particular, those salaries are their main sources of subsistence these days. Their rejection of the privatization of the factory may be understood in light of this common background.

On the basis of the differentiation of the conditions among these villages, the first of three unique situations can be described in Büyükmandıra. This village underwent a very rapid development period in the 1960s and 1970s with the benefits of the developmentalist policies in sugar beet production. However, the village also historically suffers from land scarcity, which meant that its development was highly dependent on sugar beet cultivation. When sugar policies changed in the post-1990s

period, the village fell into a very rapid downward spiral: the main characteristics of the post-1990s period in this village are indebtedness and bankruptcies. A second situation can be seen in Pancarköy, with its adequate land capacity. The transition process there was not experienced with bankruptcies, as opposed to Büyükmandıra, because producers in Pancarköy could shift to other crops like wheat or sunflower. Their perceptions of the transition are not negative, in contrast to Büyükmandıra and Dügüncülü, because, in their experience, channels for free enterprise were opened with this transition. As a third situation emerging from the transition process, producers in Dügüncülü could not find an alternative strategy to remain in agricultural production due to land scarcity and the natural constraint of river flooding. However, Dügüncülü's main difference from Büyükmandıra is that while its development could never reach the same levels seen in Büyükmandıra due to its less valuable agricultural lands, the impacts of the transition have been comparatively less destructive in Dügüncülü, which has a lower level of indebtedness compared with Büyükmandıra. In the following chapter, the ways in which these different situations have affected the villages' articulations with market relations will be explained and the conditions under which the privatization of the Alpullu Sugar Factory occurred will be examined.

## CHAPTER 4

### **THE NEOLIBERAL RUPTURE IN THE VILLAGES: LAYING THE GROUND FOR THE PRIVATIZATION OF ALPULLU SUGAR FACTORY**

This chapter aims to analyse the post-1990s framework in the villages. It is divided into two sections on the basis of the periodization described by the sugar beet producers. In the first part, the main dynamics of the 1990s will be discussed. This section primarily focuses on the impacts of the quota system and the new measurement mechanisms of polarization in sugar beet production on the subsistence of the producers. The second section will illustrate the changing forms of social relations under the impacts of indebtedness and land-grabbing in the 2000s. The privatization of the Alpullu Sugar Factory is presented as the junction point of all these dynamics, serving as the final nail in the coffin of neoliberal restructuring.

#### **4.1. The Lost Decade: Changing Forms of Relations Between the Producers and Alpullu Sugar Factory in the 1990s**

The neoliberal transformation of state/agrarian relations is identified from the beginning of the 1990s by the sugar beet producers in Büyükmandıra, Pancarköy, and Düğüncülü, who concretize it with three main pillars: (i) the decrease in the population, (ii) the end of husbandry, and (iii) the end of sugar beet cultivation. Although the reactions of the producers towards the impacts of the transformation vary among the villages according to the differing conditions of the villages, it should be noted that these three pillars represent a common trajectory during the 1990s. The post-1990s period represents another rupture in terms of the changing role of agriculture in their subsistence. While agriculture is evaluated as the primary source of their subsistence during the pre-1990s period, it becomes a

source of side income with the end of the 1990s. The transformation of agriculture from the main source of subsistence to a source of side income in their lives seems to be the result of three main changes. First, animal husbandry provided the preliminary expenses of cultivation, and therefore, the producers continued their lives with a balance between agriculture and husbandry. With the end of the husbandry, they lost their preliminary resources for starting cultivation. The second reason is that the withdrawal from sugar beet production triggered a high level of decrease in their agricultural incomes as it was the most profitable crop per decare. The final reason is that the amount of owned land decreased, especially in the 2000s. Hence, their agricultural incomes declined parallel to the decrease in the quantity of owned land, i.e., their means of production. Although the reasons behind land-selling differed between the villages, land-selling itself was a common tendency among these three villages in this period.

In this sense, the producers also perceive the post-2000 era as a new breaking point, with the concentration of the new form of agricultural relations under the impacts of land-selling. Therefore, the neoliberal transformation of agrarian relations gains its content in their experiences with two breaking points: while the first one is occurred in the 1990s, the second one is focused on the post-2000 period. It seems that this periodization is compatible with the neoliberal transformation of state/society relations in agriculture. While the post-1990 period corresponds to the general transition in agrarian relations, the post-2000 period coincides with the transformation in the sugar sector.

Indeed, the neoliberal face of the state started to form in the beginning of the 1980s in Turkey, while it began to affect the agricultural sector in the 1990s. For this reason, Aydın (2002, pp. 189-91) defines the impacts of neoliberal transformation in agrarian relations as being twofold. The first strand of these impacts starts with the neoliberal transformation in state/society relations in general, beginning in the 1980s under policies that were related indirectly to agriculture and mainly include the liberalization of trade, as discussed in Chapter 2. This period ensured that “the disappearance of the state as a regulator in factor markets in

Turkey [would] leave the majority of rural producers highly vulnerable vis-à-vis capital” (Aydm, 2002, p. 189). While the legal background for the transition in agriculture had mainly been established in the 1980s within the scope of SAPs, the new policies particularly started to be applied under the pressure of the 1994 crisis. With the decisions of April 5th under the impacts of the 1994 crisis, new restraints on the support purchases of SEEs and ASCUs were determined (Tekeli, 2019, p. 34). While the 1994 crisis affected agricultural prices with a downward trend of 10% (Aydm, 2002, p. 191), the subsidies and purchases also decreased steadily. Moreover, the agreement with the WTO opened the agricultural sector to private investments.

The first reflections of the neoliberal restructuring on the subsistence of the producers were seen in the destruction of the balance between husbandry and farming in the villages in the 1990s. The producers had maintained their sugar beet cultivation by supporting it with their side incomes in the pre-1990s period. In other words, their main strategy to survive was to find a balance between sugar beet cultivation and their side incomes, shifting their financial resources from one to the other. While husbandry and the retirement salaries from the factory were common features for these three villages, the side incomes can be differentiated between producers in the villages according to the villages’ unique conditions in terms of land capacities, as summarized in the previous chapter. However, with the end of husbandry, this balance between sugar beet production and side incomes could not be maintained in the 1990s. Therefore, the producers tried to redefine the balance by selling their animals and their agricultural machines. For them, selling off their investments, including agricultural machines like tractors, as well as their animals, seemed the only way to sustain themselves. In this sense, the 1990s can be summarized by ‘impoverishment without dispossession of the land’ in the villages (cf. Tekeli, 2019, p. 43). Hence, the 1990s are identified by the producers as a time of loss in their lives, as their investments melted away in their efforts to secure the preliminary costs for agriculture.

More critically, they also lost their previous perceptions of the Alpullu Sugar Factory as a producer-friendly factory. Its consulting services and financial support for the producers started to erode in the 1990s. The link between the TSC and the producers started to take on a new form according to the experiences of the producers. During a group interview, one of the farmers from Büyükmandıra reported the following

With the 1990s, our relationship with the factory changed. In fact, the attitude of the factory towards the producers had changed in this period. Although the factory was dealing with every step of the sugar beet production, although it supported us whenever we faced a problem in production before the 1990s, we could not find anyone when any problems occurred in the cultivation process of sugar beet in the 1990s. First, the administrative cadre was changed, and the attitude of the factory towards the producers changed in this period. I don't know the reason why the new cadre showed this negative attitude towards us. I don't know whether or not this change was related to the personality of the new personnel, or was an intentional modification for the relations between the factory and the sugar beet producers. I can just say that something changed and the summary of the new attitude for us was that we had to find personal solutions for the problems in production. Then we started to feel very lonely in the production.<sup>44</sup>

On the other hand, it was reported by the local representative of Şeker-İş that as a result of the cut-offs of the financial resources of the factory, the amounts spent for fertilizers, seeds, and other pre-cultivation support mechanisms had to be reduced. However, the producers seem to specifically identify these reductions as the dissolution of the factory's producer-friendly attitudes. While this situation was evaluated by the producers as shaped by the semi-intentional choices of administrative cadres, as stressed in the previous quotation, all of these changes mark the roll-back of the state from the agricultural market (cf. Günaydın, 2010, pp. 162-70).

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<sup>44</sup> İşte 1990larla birlikte, fabrika da değişti. Eskisi gibi davranmadılar bize. Bir şeyler değişti. Nasıl anlatılır ki bu? Eskiden her şeyimizle ilgilenirdi yöneticiler. Ziraat mühendisi ayrı gelirdi. Tohumdan, ekimine, sulamasına, hasatına kadar destek alırdık, destek görürdük. Bir hastalık oldu mu, ne bileyim, hemen yetiştirlerdi yardıma. Ama sonra, öyle yöneticiler geldi ki fabrikanın başına. Bilerek mi yaptılar bilmiyorum ama fabrika değişti. Fabrikayı o dönemki yönetenlerle mi ilgiliydi bilmiyorum ama artık ilgilenmez oldular bizim dertlerimizle. Kendi başımızın çaresine bakın demeye getirdiler. Çok yalnız kaldık.



The changes in the measurement system for the sugar capacities of the sugar beet, i.e., the polarization ratio, and the quota system in sugar beet production represent other ruptures in their relations with the factory at the end of the 1990s as a part of the roll-back of the state. With these new policies, the producers started to identify the attitude of the factory as being against their production. In fact, the measurement system was not a newly emerged regulation in sugar beet production. The system basically asserts that sugar beet is categorized according to its sugar capacity under the basis of new criteria for providing an efficient and effective allocation for the payment mechanisms of the factory. Moreover, the fertilizing and watering of sugar beet are very critical for increasing its sugar capacity and so the consultancy services of the factory gained importance for the producers in this process. While the first breaking point in the relations of the producers with the factory had already affected the sugar capacities of their harvests negatively, the determination of new criteria to calculate the polarization ensured that the sugar capacity of their harvests always remained below the levels of the pre-1990 period.<sup>45</sup> Therefore, while the new logic behind the changing calculation system was explained by the aim to increase the efficiency of sugar production by the representative of Şeker-İş, the producers internalized this change as a policy directly in conflict with their subsistence at the end of the 1990s. One of the producers in Büyükmandıra explains this as follows

The factory had already calculated the value of the polarization for our cultivations as being comparatively below the previous years. However, that was not the only problem. At the same time, we had to deal with other disagreements with the factory. For example, I can't remember the exact year, but I'm sure this happened at the beginning of the 2000s, I fell into

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<sup>45</sup> This situation is common to all sugar beet producers across the country. According to the news accessed at <https://www.tarimdanhaber.com/tarimsal-ekonomi/pancar-ureticisinin-polar-tepkisi-h12187.html> (date of access: 16.10.2019), sugar beets producers in Burdur rejected the polarization schema calculated by the Burdur Sugar Factory and its payments since the measurement criteria of the factory did not reflect the real efficiency of their harvests. They claimed that their sugar beets were being evaluated with less efficiency as a result of the factory's measurement system. The producers claimed that they had requested an independent agency to measure the real sugar amounts in their beets, and the result was 17% polarization, but the factory calculated the same rate as 13%-14%.

conflict with the factory. In those years, I cultivated my sugar beets on two different neighbouring fields. I was interested in the whole cultivation process, including its fertilizing, watering, harvesting... However, the factory said to me that one part of my harvest had 14% polarization. This level was normal for our region. I did not ask why the level was not calculated as 16% like it was before the 1990s. However, for the other part of my harvest, they told me that its level of sugar was around 10%-12%. How could this gap exist? All the beets were cultivated by me! How could this huge difference emerge for the same crops? It really seemed like they were making fun of us. The factory knew that whatever it offered us, we had to accept that price, so they could offer whatever was beneficial for the factory. What happens at the end of this kind of experience? You don't want to work with the factory anymore. You cannot trust your income coming from your contract with the factory anymore. You cannot calculate what you'll earn at the end of your harvest. You can't receive the value of your labour like in the past.<sup>46</sup>

The neoliberal rupture in their lives is thus concretized by the changing attitude of the factory with the reduction of subsidies and the applications of new policies for sugar beet production. The common reflection of the producers is that the factory could not have wanted to protect sugar beet in the region, as it was reducing their financial support mechanisms and withdrawing its consultancy support. The effects of this rupture were summarized by one of the producers in Dügüncülü during a group interview as follows:

The disjointed activities of the factory have been the new reality for us since the 2000s. I will use numbers as examples because I cannot remember the exact prices that the factory gave us for the harvest, but the real numbers should be parallel to mine. At the beginning of the season, the factory told us 1 TL would be paid for the sugar beet per kilo. However, at the end of the harvest, it only paid 0.80 TL per kilo. Of course, one reason for this gap comes from the decrease in the value of the sugar beet. Its value is not determined by the administrators of the factory. Rather, it is directly announced by the state. However, the role of the factory starts with the calculation of the sugar polarization. They told us the factory uses a

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<sup>46</sup> Bak öncesine göre değerinin çok altında polar söyleyip parayı da onun üzerinden hesaplamalarını hiç saymıyorum. Dahası da var. Mesela bir senesi şey oldu. 2000'lerin başında oluyor bu. İki de benim pancarım. Birbirlerinin bitişik tarlalarından sökmüşüm ikisini de. Birine dediler 14 polar. E tamam, hadi bu normal. Bak neden 16 değil demiyorum eskisi gibi. Diğerine şimdi tam hatırlamıyorum da 10-12 polar arası bir şey söylediler. E ben dikmişim. Ben atmışım gübresini, ben sulamışım bunları. Nasıl oluyor bu fark? Resmen alay ediyorlar bizim aklımızla. E biliyorlar tabii ne deseler kabul etmek zorundayız. Kafalarına göre çalıp oynuyorlar. E ne oluyor en sonunda? Çalışmak istemez hale düşüyorsun tabii fabrikayla. Güvenemiyorsun ki. Hasat sonu eline geçecek parayı hesap edemiyorsun. Geçmişteki gibi öyle emeginin ederini alamıyorsun.

new analysis method to determine its polarization. However, we cannot understand what kind of analysing mechanism can always cause us losses. Moreover, it started to apply quotas to our productions. What can be the result of this changing attitude towards sugar beet cultivation? Of course, sugar beet cultivation was over. And I can also add its mistreatment of us. We had to wait in long queues to deliver our harvests to the factory. With the end of sugar beet cultivation, husbandry was also gone. After that, this region lost its old dynamism, with the bankruptcies of the local shops. As the last step, if one can't cover his debts, he has to sell his land.<sup>47</sup>

The impacts of the quota system are summarized by another producer as follows, quite parallel to the above report:

In the beginning, the decrease in my income started with the quota system in beet planting, nearly 20 years ago. Due to this new system, we could not profit from the sugar beet cultivation like in the old days. What happened when our incomes coming from sugar beet cultivation decreased? For instance, I took out credit to lease extra fields in those years. I wanted to plant more than the limits of my lands. Then the quota was applied, and the selling of sugar beet only brought losses. Therefore, I could not pay my debts after the harvest. However, I'd still like to take on debt to gain a sustainable amount from agriculture.<sup>48</sup>

As a result, the conditions in sugar beet production that took form for these producers during the 1990s can be summarized with two main points. On the one hand, state expenditures to support their production had been cut under the enforcement of SAPs to provide the neoliberal restoration in agrarian relations as discussed in Chapter 2. These decreases negatively affected the producers' ability to find efficient resources to start sugar beet cultivation at the beginning of the season.

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<sup>47</sup> 2000'lerle birlikte hep aynı şey oldu. Sene başında konuşulan, bizim de fabrikadan duyduğumuz şimdi rakamları tam aklımda değil ama aşağı yukarı böyle. Kilosuna 1 tl vereceğim hasatın diyor. Sonra bi' teslim ediyorsun hasatı, kilosu 80 kuruştan sana para ödüyor. İşin bir yanında pancarın artık daha az para etmesi var tabii. O fiyatı onlar da belirlemiyor onların elinde değil eyvallah, anladık ama sadece o da değil ki. Bi' polar hesaplıyor fabrika, güya yeni analiz şeysi varmış işte. Sürekli biz zararlı çıkıyoruz bu polar hesabından. E sonrasında zaten bir de kota meselesi çıktı başımıza. E ne oldu böyle yapa yapa? Bitti gitti pancar. Küstürdü bizi fabrika. Bak beklettiği sıraları, yaptıkları kötü muameleyi filan eklemedim daha. Neyse, ona bir şey demiyorum. Pancar bitince, zaten hayvancılık kalmaz. Satıldı tek tek. Sonrasında o eski neşesi, o eski canlılığı kalmadı zaten bu civarların. Dükkanıydı, meyhanesiydi hep kapandı gitti. İşin içinden çıkamayan toprak satmaya başladı daha da sonrasında.

<sup>48</sup> Önceleyn, işte 20 senesi var, kotayla başladı tabii. Biz pancarı ederinden satamamaya başladık. E satamayınca n'oldu? Mesele ben kredi çekmişim, borca girmişim, icara ekeyim diye, çalışmak istiyorum yani. Neyse işte, kota bi' geldi, pancar para getirmede. Ödeyemedin mi sezon başında girdiğin borcu hasat sonuna. E sonra yeniden borç almak zorunda kalıyorsun ki devam edesin ekip biçmeye.

On the other hand, this situation was combined with the death of animal husbandry. The producers tried to survive by selling their investments to cover their preliminary expenses for agricultural production. However, the application of the quota system and the new arrangements in the polarization system reduced their incomes from sugar beet cultivation. Therefore, indebtedness started to proliferate in the villages at the end of the 1990s and land-selling followed in the 2000s, as underlined in the quotations above. In the next section, I will investigate the mechanisms behind this indebtedness and land-selling. The privatization of the Alpullu Sugar Factory will be put into context as a part of this process.

#### **4.2. Diffusion of Private Capital Throughout the Villages: Indebtedness and Land-Grabbing in the 2000s**

The beginning of the 2000s represents the other rupture for the subsistence of the sugar beet producers. This rupture emerges as the combination of two different but related pillars. The first was shaped by the effects of the neoliberal transformation in state/agrarian relations, with considerable increase in its momentum under the direct regulations on the sugar market with the ARIP in 2001 and the application of DIS, also in 2001. Furthermore, the legal background of the neoliberal restructuring in the sugar sector was prepared with an amendment in Sugar Law No. 4634, providing the withdrawal of the state from the sugar sector and the opening of space for private investments. The second pillar comprises decreases in the producers' incomes and increases in their indebtedness during the 1990s, which pushed them to find new financial sources to maintain their subsistence in general and sugar beet cultivation in particular.

The impacts of DIS on the producers seem to have been the most destructive of the re-regulations of agriculture in the post-2000 period according to the reports of the producers themselves. While the changes arising from the application of DIS were more tolerable in Pancarköy due to the sufficient land capacities of the

producers, this new system directly threatened the agricultural incomes of the producers in Büyükmandıra and Dügüncülü due to their high level of dependency on leases to continue their agricultural production. DIS assumes that subsidies have been rearranged on the basis of land capacities rather than support for particular crops. Therefore, any increase in land ownership affects the given subsidies positively. However, the producers in Büyükmandıra and Dügüncülü already suffered from the scarcity of their land and so they had to rent extra fields to cultivate their crops, especially for the production of wheat, sunflowers, paddies, etc.

One of the producers in Büyükmandıra explained the impacts of DIS by identifying two main factors. As sugar beet cultivation was ending, the producers had to tend other crops, and so they started to rent more fields. However, due to DIS, they did not receive subsidies at the end of the harvest. The owner of the fields—not the renter—is defined as the legal recipient of the subsidies, even without any agricultural productivity<sup>49</sup>. This producer thus summarizes the impacts of DIS as follows

To continue my agricultural production, I had to take out a lease from the beginning, until now. On the one hand, my access to any efficient irrigation system is limited due to the locations of my fields. On the other hand, I don't have sufficient land to cultivate wheat or other crops that need higher land capacities. As a result, I always have to rent additional fields to sustain myself. With the 2000s, the support system was changed. The change meant a shift from the crop supports to individual subsidies. The new system just supported the land possessions. I don't have a sufficient amount of land, but I'm a farmer. My main subsistence comes from farming. The additional renting of fields is an obligation for me to continue my subsistence. In the old system, when I delivered my harvests, the state directly gave me my subsidies, independently of which fields those harvests were cultivated in. However, now, the owner of the fields gains the subsidies without any personal labour, rather than the one who cultivates

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<sup>49</sup> As Özüğurlu (2010, p.6) shows it by conducting a series of field research in 20 villages in Turkey, this situation is common in Turkish agriculture as the consequence of the shift from the crop-based subsidies to DIS.

those fields with his own labour. This means that the one who has more lands gets the subsidies.<sup>50</sup>

As the second pillar of this rupture, their main financial resources with the decrease of their agricultural incomes came from private bank credit and the usage of credit cards in the post-2000 period. In other words, they tried to defray their preliminary expenses with instruments of indebtedness to be able to continue agricultural production. Hence, it seems that they tried to re-establish their disrupted balance of the 1990s through the channels of debt instruments. This new solution for sustenance was quite a fragile one, directly depending on land liens as a guarantee for the re-payments of their debts. An inability to re-pay their debts would directly end with the loss of their lands. This process opened channels for the diffusion of big capital via land-grabbing through the sugar production in the region.

However, no single path among these three villages can be defined to understand the impacts of debt instruments on the subsistence of the producers. While the path to the privatization of the Alpullu Sugar Factory seems to have taken form under the land-grabbing as a result of the indebtedness of the producers, this situation does not directly relate to the losses of the producers as a whole throughout the region. Especially in Pancarköy, sugar beet producers used debt instruments as a new strategy to increase their accumulations. Moreover, big capital has not followed a single path in the land-grabbing process throughout the 2000s. Therefore, the post-2000 period involves many different strategies and pathways to articulate with the market regarding the experiences of both capital and the producers. This section will next try to show this differentiation for both sides, starting with the experiences of the producers and then focusing on the capital side.

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<sup>50</sup> Benim kendi tarlamda oldu olası sulama sıkıntısı var. Zaten bir de dediğimiz gibi buğday ekmeğe filan yetmez kendi babadan kalma arazimiz. Yani demem o ki oldum olası el mahkûm icar alıyorum. Sistemi bir değiştirdiler 2000'lerle birlikte. İşte ürün desteğinden kişi desteğine dönüştü. Tarla desteğine dönüştü. E tarlam yok benim ama çiftçiyim ben, ekmeğimi de tarladan çıkaracağım. İcar alıyorum. Eskiden ne olurdu? Teslim ederdin ürününü, ederi neyse desteğini verirdi devlet sana. Şimdi ne oluyor? O tarlaya eken, emek eden değil de tarlanın sahibi alıyor hiç parmağını oynatmadan parasını. Kimin topırağı daha çoksa o kazanıyor çiftçilik yapan yerine.

For the producers, the usage of private bank credit arose with the articulation of two sets of dynamics. The first of these, as discussed in Chapter 2, was the reduction in the agricultural credits given by Ziraat Bank as a part of the neoliberal transition process, starting with the LoI given to the IMF on 26 June 1998. In this sense, the withdrawal of the credit mechanisms given by Ziraat Bank showed that “financial liberalization involves getting the state out of the business of deciding who should receive credit” (Williamson, 1997, p. 53). When the producers could not cope with the decrease in their agricultural incomes and could not find sufficient resources to start the sugar beet production at the beginning of the season, Deniz Bank penetrated the local market and started to provide their financial necessities via agricultural credits and credit cards. Therefore, the second set of dynamics comprises the diffusion of neoliberal financial instruments throughout the villages together with the dissolution of the state-sponsored credit system.

To the extent that Deniz Bank was the only private bank in the region that offered these instruments for the producers, the interest rates, conditions of loan agreements, and other such details were all determined by the bank without any alternative options for the producers. More critically, the producers remark on two different periods to describe their relations with the bank. The first period, spanning the years between 2000 and 2008, is characterized by easy access to these financial instruments. This ease seems to have pushed the producers into taking out credit to cover their losses as the legacy of the 1990s. The main motivation in this period was to overcome impoverishment by increasing their agricultural incomes. Taking out rental leases and/or buying new agricultural machines to increase productivity became the main strategies in this sense. However, it should also be noted that the personal stories of the producers are diverse when they explain why they made their individual decisions to use these instruments, as will be discussed below with statements from the producers.

The second period is that from 2008 onwards, and the experiences of this period are diverse among the villages. However, the common theme is that the access to credit and the re-payment conditions of the credit started to become more

difficult for the producers. In Büyükmandıra, the producers mainly identified the post-2008 period with the inability to re-pay their debts and the seizure of their lands by the bank as a result of land liens. For Dügüncülü, the main strategy for the post-2008 period was complete withdrawal from agricultural production. With this strategy, they reduced their agricultural expenditures and now try to survive on their retirement salaries. The seizure of the lands by the bank can also be observed in Dügüncülü; however, the level of this is lower there than that in Büyükmandıra. Pancarköy reflects a different pattern during the post-2008 period. Credits seem to have lost their benefits in comparison to the pre-2008 period and so the producers have mainly chosen to reduce their cultivated areas rather than start the season by using these credits. Leasing out their fields to others is also a common tendency in this village.

For the years between 2000 and 2008, the producers' experiences with the easy access to debt instruments were summarized by one of the farmers in Dügüncülü during a group interview as follows

Before the 2008 crisis, we had not gone to the bank to take out credit. Rather, personnel from the bank came to our villages, and they visited every household to introduce the offers of the bank for us. These personnel mainly tried to convince us to take credit from the bank. Before 2008, we had not known that there were procedures to get credit; we had not known that we had to wait for the approval of our credit applications. Our signature had been enough to get credit before 2008.<sup>51</sup>

In keeping with the statement of this producer, it is quite remarkable that when the producers are asked to assign a score between 1 and 10, with '1' signifying the easiest access to these financial instruments and '10' signifying the hardest, they all choose '1' without any exceptions in all villages. Their relations with the bank between 2000 and 2008 are defined by the full and unconditional credit support of Deniz Bank. Under these conditions, the main motivation was to

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<sup>51</sup> Krizden öncesi, görmem lazımdı. Biz gitmezdik bankaya kredi filan istemek için. Takım elbiseliler gelirdi ellerinde çantalarıyla. Kapı kapı dolaşır, anlatırlardı. İkna etmeye çalışırlardı bizi kredi almaya. Biz gitmezdik, onlar gelirdi. Bilmezdik kredi onayı için beklemek gerekmiş falan; bir imza yeterliydi.



generate financial resources with the bank credits to remain in the agricultural sector. However, it should be noted that the initial reasons for taking out credit are diverse among the producers. For instance, one of the farmers in Dügüncülü explains his story as follows

Before 2000, I cultivated an area of nearly twenty decares. After 2000, it decreased to six decares. With the reduction of my subsidies from the factory, I couldn't find efficient resources to start cultivation. My own fields are six decares, from inheritance, but I could cultivate twenty decares by taking out a lease. With the 2000s, I faced two options. On the one hand, I could sell some parts of my land. On the other hand, I could take out credit and find another way by using that as a financial resource. Between these options, I chose the second one and took the credit. I did not go to the bank to demand the credit. Rather, the personnel of the bank came to our villages and offered their credit in those years. With the credit, I bought a combine harvester. This machine became a new line of work for me. I still continue to sustain myself with that combine harvester. I harvest the crops of the other farmers in this region with this machine at the end of the season. Moreover, I continue to cultivate my six decares. I'm still depended on credits from the bank to pay the preliminary expenses of the cultivation. However, I manage to re-pay my debts to the bank with instalments thanks to my income coming from my combine harvester.<sup>52</sup>

This is only one example of the motivation to use credit; as stated above, the farmers' experiences and motivations are diverse. One of the farmers in Büyükmandıra explains his situation as follows

At the beginning of the 2000s, taking out credit was very easy. The bank came here and distributed the credit with very flexible conditions. In those years, I had already tried to cope with indebtedness. Then my wife thought that we could accept the offers of the bank. However, we would not start cultivation again with the credit because the main reason behind our indebtedness was already the cultivation. Then we bought gold, assuming that the value of gold would increase at the end of the wedding season, and we could sell our gold at a profit. With that sale, we could pay our debt to

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<sup>52</sup> 2000 öncesinde 20 dönüm kadar alana ekim yapardım. 2000'e gelindiğinde 6 dönüme düştü. Fabrikanın durumlarının bozulup da pancardan kenara koyamamaya başlayınca ekime başlayacak kaynak bulamaz oldum. Zaten 6 dönüm de baba toprağı. Üzerini icarla tamamlardır. 2000'ler geldiğinde ya toprak satacaktım ya da kredi çekip başka bir hal çaresine bakacaktım. Kredi çektim. Ben gitmedim bankaya. Onlar geliyordu zaten köye o zamanlarda. Çektiğim krediyle bir biçerdöver satın aldım. Şu an biçerdövere gidiyorum diğer tarlalara. Yeni bir iş olmuş oldu biçerdöver bana. Bir de kendimin olan 6 dönüme ekmeye devam ediyorum. Hala kredi borcum var bankaya. Ekime başlamak için zaten kredi almak zorundasın. Biçerdöverden kazandığım parayla onu ödüyorum taksit taksit.

the bank, and the profit would be a source for us to re-pay our other debts. However, we were very unlucky. The value of gold decreased that year, completely opposite our prediction. We tried to make a profit, but our debt increased.<sup>53</sup>

Therefore, it is observed in Büyükmandıra and Dügüncülü that although the credits were mainly used to continue agriculture, some exceptions, as presented here, can be observed. However, overall, the common thread here is that these producers became highly dependent on the usage of credit for their subsistence. The period between 2000 and 2008 is characterized by a strategy in which the channels of indebtedness were replaced state subsidies out of obligation in Büyükmandıra and Dügüncülü. During the pre-1990s period, agricultural production could be maintained by state supports. They could achieve a balance to sustain their lives and continue agricultural production, experiencing impoverishment but without the dispossession of their lands, in the 1990s. However, when the subsidies from the factory were radically decreased in the 1990s, the producers started to become indebted to pay their preliminary expenses such as the costs of fertilizers, seeds, and diesel fuel. The opening channels of these debt instruments in the beginning of the 2000s pushed them to think that they could recover from their losses of the 1990s by using credit. This situation was clearly stressed one by of the producers in Büyükmandıra during a group interviews as follows

In the 1980s, I had 55 head of cattle. I had started stock farming with 12 head with my own capital. Their numbers increased with my animals reproducing. At the end of the 1990s, I lost all of them. I had to sell them at a loss. Furthermore, I had to sell my tractor. With the 2000s, the bank offered credit, and I thought that I had to buy a tractor to continue the cultivation. My aim was not to buy animals again. I just thought that I could buy a tractor, and the credit also became a source to pay for the expenses of fertilizers and things like that. Therefore, I could cultivate, and

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<sup>53</sup> Banka zaten kapı kapı dolaşıp kredi veriyordu 2000'lerin başında. Bizim de zaten alacaklılarımız var o dönem. Hanım dedi ki, madem bu kadar kolay bu iş, kabul edelim biz de tekliflerini ama bulaşmayalım tekrar tarla işine. Zaten o yüzden borçlu duruma düştük. Altın alalım biz bu parayla dedi. Zaten düğün sezonu yine artar altın fiyatı; biz de bozdururuz hem kredi borcumuzu öderiz, hem de elimizde kalan karımız olur. Şansa bak, o sene altın fiyatları düştü. Kar yapalım derken daha da zarara girdik.

I could pay my debts at the end of my harvest. However, things did not go as planned at the end.<sup>54</sup>

When the producers in these two villages evaluated their balances of income and expenditures on a scale of 1 to 10, with '1' implying indebtedness and '10' implying the ability to make new investments, they assigned three different rankings for the three different periods. First, the scores for the pre-1980s period are always between 6 and 8, with the income from husbandry and the help of state subsidies. The second period, that between the 1990s and 2000s, receives scores of 4 or 5, with the producers stressing that they could only continue agricultural production with the sale of their animals, and they could use the value of their stock farming resources to meet the preliminary expenses of cultivation. The third period is that starting in the 2000s, and the scores assigned to this period by the producers plummet to the lowest values with their increasing bank debts. With the disintegration of stock farming and state-sponsored financial resources, they could not sustain themselves without taking out credit. While the common tendency in the second period is a decrease in cultivation, a full withdrawal from agriculture is seen more commonly from 2008. They could not pay their debts to the bank in 2008 and land liens are concentrated in this period.

In this regard, it can be assumed that while the preconditions for agricultural production, i.e., their subsistence, were reproduced by using state-sponsored mechanisms during the pre-1990s period, the main source of this reproduction shifted to debt instruments in the 2000s. Starting from the Etatist era, the sugar beet production in the region developed under the guidance of the state by promoting the vertical integration of the producers with the market (Rehber, 2004, p.90), as summarized in Chapter 2. The subsistence of the producers was therefore not shaped according to the main characteristics of peasant production. 'Peasant

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<sup>54</sup> 80'lerde 55 tane büyükbaş hayvanım vardı benim. 12 tane büyükbaşla başlamışım kendi sermayemle. Sonra çoğalta çoğalta 55'e kadar vardı. 90'lar bittiğinde elimde hiç hayvan kalmamıştı. Hepsini zararına sattım. Üstelik elimdeki traktörde gitti. Sonrasında işte banka geldi, kredi verelim dedim. Hayvanı geçtim ama traktör olmadan olmuyor. En azından traktör alırım bir de gübre parasıdır filan bankadan gelir ben de o sene hasat yapar borcumu öderim bu sayede diye düşündüm. E tabii evdeki hesap çarşıya uymadı.

production' here means that agricultural producers reproduce their own material existence by using the land, tools, animals, and labour power "to work out their own destiny" (Corrigan, 1975, p. 346), without any dependency on capitalist market relations. However, sugar beet as an industrial crop has been articulated with the direct impact of the state as "an orchestration of the relations of production" (Corrigan et al., 1980, p. 1). While this particular crop was unknown in the region until this orchestration occurred, its production transformed the relations of locals with the market, with a shift from subsistence farming to farming for the capitalist market. From the 1940s until the 1980s, they reproduced the conditions for production with state subsidies. Furthermore, the producers started to make investments between the 1960s and the 1980s with their accumulation of income coming from sugar beet production.

However, the beginnings of the 1990s represent a neoliberal rupture in the form of the reproduction of their subsistence. The production conditions for sugar beet could not be sustained after the state subsidies ended, so they had to turn to private credit in the 2000s. In this sense, the post-2000 period can be identified by the financialization of social relations in the region with the diffusion of debt instruments throughout the villages. In other words, the reproduction of labour power in the region was re-formed under the impacts of the neoliberal transformation. What is meant here by 'reproduction of labour power' is "the reproduction of the physical existence of human beings" (Sayer, 1987, p. 77), or the subsistence of the producers in this sense. In this new form, the class positions of the producers gain new contents (cf. Corrigan et al., 1980, pp. 7, 12-15).

In this situation, the producers take new positions in the market according to the changing dynamics in production relations. These positions are determined by their class positions, including both the dynamics of labour and capital as the specificity of agricultural production (Bernstein, 2009, pp. 72-3). In this sense, their class position is dichotomous: while the labour is experienced in the form of families/households, the capital is experienced in the form of land, tools, and other preliminary necessities to start the cultivation (Bernstein, 2010, p. 103). In addition

to family labour, for the producers, working in the Alpullu Sugar Factory created another tie with labour. While the form of labour can be said to be common between the producers, the form of capital seems to determine the differences between them.

Therefore, it is observed that the main variable is their land possessions, since these shape the forms of the reproduction of their capital and implicitly determine the forms of the reproduction of labour power. In this regard, it can be assumed that while their reproduction of labour power was sustained under the protection of the state subsidies, the making of investments can be conceptualized as the reproduction of capital during the period between 1960 and 1980. However, the neoliberal rupture was experienced first as an inability to reproduce capital in Büyükmandıra and Dügüncülü, while the producers in Pancarköy kept their ties with capital relatively stable in comparison with Büyükmandıra and Dügüncülü as a result of their efficient land capacities. With the expansion of debt instruments throughout the region, taking out credit seemed to become a new strategy for the reproduction of labour power in Büyükmandıra and Dügüncülü, while debt instruments were used for the reproduction of capital in Pancarköy. Therefore, the reflections of the producers in Pancarköy on the post-2000 period differentiate them from other villagers. One of the producers in Pancarköy explains his articulation of the changing conditions in the 2000s as follows

In the last 20 years, I cultivated wheat on 200 decares by taking out a lease in some seasons. I bought a new tractor with bank credits. Moreover, I paid the price of the lease with bank credit. Twenty years ago, I could not rent this amount of land, because I couldn't find any financial resources to pay for it. However, when the bank started to give out credit, I started to use the opportunity to rent more land and to buy the machine. When I apply to the bank for credit, I can directly get what I need to rent the lease. Then I repay the credits after the harvest. Renting the field is my investment. I have to increase my land capacity to increase the profit. Of course, there are some risks when you take out credit. We can observe these risks in other villages. We can observe what happens if you can't pay your debts to the bank. However, to make an investment, you have to take a risk. But it is critical that you invest these credits in the right channels. If you cultivate

sugar beet again with your credit, of course, you'll be ruined. Then you can't re-pay your debt to the bank.<sup>55</sup>

Two critical points can be highlighted in the above quotation. The first is that access to debt instruments is evaluated here as an opportunity for making an investment. The second is that the investment is identified with the expansion of land capacity via leases. The link between the producer and the land is then redefined on the basis of making profit. A similar situation is observed by Ulukan (2009, p. 237) in the case of contract farming in Bursa. He concludes that there is a direct connection between efficient land possession and the increase in the 'investments' on the land and agricultural machines by using debt instruments. This is in contradiction, however, to the situation in Büyükmandıra and Dügüncülü. For producers in these villages, the land is identified with their subsistence while husbandry or enterprises such as local restaurants represent a way to make profits from their perspective. Behind this differentiation, the dependency on sugar beet production as related to land possession manifests itself again. The following two reports from Pancarköy explain this in more detail

I have not cultivated sugar beet since 1985. Why did I stop my sugar beet cultivation? I could not work with the factory anymore so I stopped my sugar beet production. I'm lucky in terms of my land efficiency. My fields are not fragmented, so I can easily earn money from the cultivation of wheat or sunflower. After 2000, I took the credit, and I renewed my agricultural machine. Then my cultivation became easier. After that point, I didn't hire additional workers for the cultivation because my new machine makes my farming easy. This year, I decided to stop cultivation. It was my decision, because now I'm getting older. Now, I rent my fields out on a lease. The rental of the lease and my retirement salary coming from the factory give me sufficient money to live.<sup>56</sup>

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<sup>55</sup> Benim son 20 sene içerisinde 200 dönüme buğday ektiğim bile oldu. Tabii traktör de icar parası da banka kredisiyle geliyor da ödeniyor sonrasında. Traktörü de yeniledim yani kredi çekip. Şimdi banka gelmeden önce, göremem tabii ben bu dönümleri. Hangi parayla icar alacaksın o kadar toprağı? Bankanın gelmesiyle birlikte, çekiyorsun kredini, sana imkan sağlıyor. Bankaya söylüyorsun, tak veriyor sana parayı. Sen de hasatını yapınca, kapatıyorsun borcunu. İcar almak da benim yatırıмым. Öyle düşünmek lazım. Toprak artacak ki getirisi de artsın. E kredinin bir riski yok mu? Var elbette. Diğer köylerde gördük ödeyemeyenlerin ne durumlara düştüğünü ama risk almadan da yatırım yapılmaz. Doğru kullanmak lazım, doğru seçmek lazım yatırıмымı. Gidip kredi çekip pancar ekersen, e batarsın tabii.

<sup>56</sup> Ben pancar ekmeyi 1985'te bıraktım. Neden bıraktım? Fabrikayla çalışılmaz olmuştu, o yüzden bıraktım. Toprak konusunda şanslıydım. Arazim parçalı değil benim, bütün. Dolayısıyla ay çiçekten,

I haven't cultivated sugar beet since 1994. What is the main motivation for cultivating sugar beet? Of course, its profit per decare is higher than any other crop. However, if you cannot reach the same levels of profit as a result of the reduction in the subsidies given by the factory, there is no reason to continue its cultivation. I chose to cultivate wheat, sunflower, and canola. With the end of the 1990s, I started to work with the bank. In the beginning of a season, I buy my fertilizers and seeds with my credit card. Additionally, I bought a car by taking out credit. Sometimes, I also use additional credit to take a lease, but I re-pay my debt at the end of the harvest.<sup>57</sup>

Therefore, it can be claimed that the producers in Pancarköy have developed a strategy with the end of sugar beet production by shifting to other crops, and this strategy provides the conditions for the reproduction of both labour and capital. Their articulation with debt instruments is based upon making an investment, such that they experience the post-2000 period with not only the reproduction of these two but also with an increase in their capital. Hence, their contradictory positions between capital and labour seem to converge toward capital.

This situation has its most concrete example with CTO Crop and Agriculture. It was established in 2004 as a seed and seeding company by using debt instruments as its initial financial source. In 2015, the company started to produce seeds. The sphere of its entrepreneurial activity is directly related to the neoliberal transformation of agriculture. While the private sector provided just 2% of the total wheat seeds in 1980, this had become 55% by 2010. Furthermore, in 2010, the state was no longer supplying the seeds for sunflower, and producers had to start meeting their needs via private firms (Tekeli, 2019, p. 39). In addition to selling seeds, the firm offers consultancy services for farmers from the start of cultivation to the

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buğdaydan para kazanıyorum. 2000 sonrası, kredi çekip bir de makineyi yeniledim. Üretimim kolaylaştı, işçi bulmakla uğraşmama gerek kalmadı. Yalnız bu sene emekli ettim kendimi, icara veriyorum artık toprakları çünkü yaşlandım. Benim tercihimdi. Bir de hem emekli maaşı hem de icardan gelen para yetiyor.

<sup>57</sup> Sanırım 1994'ten beri pancar ekmiyorum ben. Neden pancar ekersin? E karı iyidir, o yüzden ekersin. Kar getirmeyecekse sana fabrikanın verdikleri uğraşılır mı onunla? Uğraşmadım ben de. Buğday, ay çiçek, kanola ektim. 1990ların sonundan beri bankayla çalışıyorum. Sezon başında, tohumdur gübresidir kredi kartıyla alıyorum. Bir de krediyle araba aldım kendime, binmelik. Onun dışında, krediyle icar alıp oraya da ektiğim oluyor ama o kredileri hasattan sonra ödüyorum.

harvest. This is another critical point, considering that the factory had previously provided consultancy services but then stopped. Hence, the establishment of CTO Crop and Agriculture can be shown as an example of how the withdrawal of the state from agriculture and the availability of debt instruments interact with each other.

Overall, the producers in Pancarköy remained capable of reproducing their labour power during the neoliberal transition process by shifting to other crops as a result of their efficient land capacities. With the diffusion of financial instruments throughout the region, they also became capable of improving their capital. Therefore, their new positions in the neoliberal transformation of the relations of production reflect more favourably on the side of capital. In contrast with Büyükmandıra and Düğüncülü, they have experienced the neoliberal phase of the state as an opportunity to improve their investments. The neoliberal phase is understood by them as a chance for entrepreneurialism.

However, their reflections on the diffusion of big capital throughout the region are similar to those of the producers in Büyükmandıra and Düğüncülü, although shaped by different motives. For the producers in Pancarköy, the existence of big capital in the region means the destruction of their competitiveness, while it is identified with the withdrawal from the land in Büyükmandıra and Düğüncülü. This differentiation is primarily determined by the producers' experiences in the post-2008 period and the strategies of big capital for entering the sugar market.

The diffusion of big capital throughout the region started with the privatization decision for the Sarımsaklı Agriculture Enterprise as an offshoot of the Alpullu Sugar Factory to produce seeds in 2007. The enterprise was bought by Ziya Organic Food Joint Stock Company (JSC) under the ownership of Nevzat Demir.<sup>58</sup> The company started land-grabbing in the region after this privatization. The

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<sup>58</sup> Nevzat Demir is one of the well-known representatives of big capital groups, i.e., Fıratpen, in Turkey. He also had membership in the Turkish Industrialists' and Businessmen's Association (TÜSIAD) until 2010. His resignation occurred as a result of personal disagreements. Retrieved from <http://www.patronlardunyasi.com/haber/TUSIAD-neden-uyelikten-atti/104105> on 10.12.2019.



producers reported that the company offered huge sums for their lands immediately before the land liens of the bank started. However, the company then started to buy lands directly from the bank rather than making any profitable offers to the producers with the increase of land liens. According to the data of the company, it has 140,000 decares of land in Edirne, Kırklareli, Tekirdağ, and Gelibolu. According to the data of the Turkish Agricultural Chambers, however, that number is 250,000 decares (Bahadır, 27 Nov 2018).

While the selling of land to the company in the first years of its land-grabbing activities was evaluated by the producers in Büyükmandıra and Dügüncülü as an obligation, the producers in Pancarköy considered it to be a quite profitable decision. The following descriptions of this situation are from producers in Büyükmandıra, Dügüncülü, and Pancarköy, respectively

As we already said, when Ziya Organic Agriculture entered the local market, we tried to deal with our indebtedness. We tried to find a solution to re-pay our debts. When the firm offered huge amounts of money for our lands, its offer seemed like the only opportunity to cover our debts. Moreover, its offers also provided a sufficient amount of money to restart cultivation on my remaining lands after the sale. In short, I needed the offers of the firm and so I had to sell my land to them.<sup>59</sup>

The firm collects an extremely large amount of land in this region. All of these lands are bought by Ziya Agriculture. The firm has enough financial resources to collect these lands. It can offer a huge amount of money to induce us to sell. None of us can offer the same amounts for these lands. At the same time, we cannot continue to cultivate with the dissolution of the factory so our conditions have worsened. Then, we have to accept the offer. All of us have to sell various amounts of our land to Ziya Agriculture.<sup>60</sup>

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<sup>59</sup> Zaten dediğimiz gibi, Ziya Tarım geldiğinde biz borç batağında yüzüyorduk. O borçların bir şekilde kapanması lazım. Adam gelip öyle bir teklif yapıyor ki sana. Hem borcunu kapatmak için bir kısımdan vazgeçmen lazım toprağının. Hem de sonrasında elinde kalanla ekip biçmeye tekrar başlamak için ihtiyacın var adamların teklif ettikleri rakamlara.

<sup>60</sup> Çok toprak topladılar bizim buralardan. Hepsini Ziya Tarım satın aldı tabii. E adamın parası var. Öyle rakamlar koyuyor ki eline. Bizden biri o kadar para verip de alamaz buraları. E zaten halimiz ortada, fabrika bitmiş biz de bitmişiz. Diğer yandan zaten halimiz harap. Kabul ettik dedikleri rakamları. Az buz sattık hepimiz bir şeyler Ziya Tarıma.

We are the peasants of this region, so that we know the value of our lands. However, when Ziya Agriculture entered the region, it offered us more than the real value of our lands. Then, we had to think about its offers, as a result of the value. If the selling is more profitable for you, you turn around and sell your land, because you know at that time that no one will ever offer the same amounts again as Ziya Agriculture for your land.<sup>61</sup>

While making a profit from the land was a clear motivation in Pancarköy, the producers in Büyükmandıra and Dügüncülü stress that, in their cases, the offers from the company were their only chance to overcome their indebtedness. To the extent that the producers in Pancarköy mainly considered the profitability of these offers, their articulations with the land are reshaped here as nothing more than a commodity. However, land-selling arises as an obligation in Büyükmandıra and Dügüncülü rather than a personal, profitable choice. Immediately before the land liens of the bank, the offers from the Ziya Organic Food JSC were evaluated as a final exit of sorts. In other words, in these two villages, land-selling was evaluated as a loss rather than an avenue for profit, in contrast to Pancarköy. The following reactions of a producer in Büyükmandıra are an example of the shared reaction in these two villages when the company asked them to sell their lands. As can be seen, the producer assumes that these losses of land should be kept secret, since it is a disgraceful thing in their view, defining their failure to subsist on their lands

That's shameful! Now you are trying to learn how much land we had to sell. However, it's shameful. You should not ask a farmer how much land he lost!<sup>62</sup>

For big capital, the primary strategy for land-grabbing seems to have been making very generous offers. While this strategy was maintained for two or three years according to the reports of the producers, it functioned as a way to repress any reactive attitudes towards the initial existence of the company in the region. A producer in Pancarköy explains their relations with the company in those years as follows

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<sup>61</sup> E o zaman durup bir düşünüyorsun. Satmak daha karlı olacaksa eğer satıyorsun çünkü bir yandan da korkuyorsun bir daha bu kadar para etmez bu toprak diye.

<sup>62</sup> Ayıp kızım! Sen bize ne kadar toprak satmak zorunda kaldığımızı mı soruyorsun? Hayır hayır! Çiftçi adama sorulur mu ne kadar toprağını kaybetmiş?

When Ziya Agriculture entered the local market, we could not assume that it would expand to this level. Of course, we know now that the company is very powerful, so it can buy whatever it wants. On the one hand, its managers directly came to our villages, and they explained to us what they wanted, what they offered with us, what their offers meant for us, and how we would benefit from their offers, in the first years. On the other hand, the amount of land they had collected did not reach these levels. In the beginning, the company for us was like any of the companies that invested in our region. It is good for us because it means that Trakya can be developed with the investments of the company. However, now, our relations are totally changed. Its activities go beyond just ordinary selling, and the company turned into the owner of this region. Only if some kind of disagreement occurs will the representatives of the company come here now. Except for those situations, they do not talk to us, and they don't visit us anymore.<sup>63</sup>

The reflections of the producers in Dügüncülü and Büyükmandıra are quite parallel with the above statement from Pancarköy. For instance, one of the producers in Dügüncülü summarizes their experiences as follows

In the beginning, we could not understand the main aim of the company. It is true that it offered very good money in the beginning to buy our lands. However, we assumed in those years that it would stop its activities at one point. While it stopped offering huge amounts to us, it didn't stop buying lands in the region. In the beginning, the personnel of the company came to our village and offered us amounts that would match our needs, our debts. There was no kind of bargaining between us. The personnel never demanded any kind of reduction in the price. The offers were very beneficial for us to sustain our lives while we were living in an indebted situation. How could we know that its main aim was to collect all of the lands in this region? How could we know that the company wanted to become the owner of the whole region?<sup>64</sup>

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<sup>63</sup> Ziya Tarım buraya ilk geldiğinde biz düşünmedik bu kadar büyüyeceğini. Kocaman şirket bir yandan, gücü var istediğini alır tabii. Fakat, en başlarda hem yöneticileriyle aramız da iyiydi. Köye gelip ne istediklerini anlatırlardı, yüzyüze konuşurduk tekliflerini, kazancımızı/kaybımızı. Hem ilk seneler topladıkları toprak bu noktalara erişmemişti, En başta bölgeye yatırım yapan bir şeydi bizim için. İyiydi, Trakya'mız kalkınsın. Tabii işin geldiği noktada ne oldu. Toprak satın almayı geçti yaptığı, buraların sahibi olmaya başladı. Ancak bir anlaşmazlık çıkarsa o zaman temsilci gönderir şirket. Uğramazlar artık buralara.

<sup>64</sup> Şimdi anlamadık tabii işin bu boyuta geleceğini en başta. İyi para teklif etmesine ettiler de bir noktada dururlar sandık. İyi para teklif etmeyi durdurdular da toprak toplamayı durdurmadılar. En başlarda, geliyordu karşına çalışanı, senin şu kadara mı ihtiyacın var; al borcunun karşılığı diye çat veriyordu ederini. Pazarlık filan yok ha. Az fiyat kır filan demezdi hiç sana. Direkt ilaç niyetine gelirdi o borç batağında verdiği teklif. Nereden bilelim topraklarımıza göz diktiklerini. Nereden bilelim neyi varsa buraların hepsini kendi hesaplarına geçirmek istediklerini işin sonunda.

As this producer stressed, the company stopped making beneficial offers to the producers at the same time that the land liens of the bank were coming into force. The loss of land as a result of liens was generally not observed in Pancarköy. However, in Büyükmandıra and especially in Dügüncülü, the producers withdrew from agriculture, being marginalized by landlessness. After that point, they sustained themselves with their retirement salaries. The overall picture for the post-2000 period is summarized by a producer in Büyükmandıra as follows

The unbearable indebtedness and the radical decrease in my income started with the middle of the 2000s. As the first step, we could not pay our debts. Then our fields had to be sold. We'd already suffered from the inefficient capacity of our agricultural lands. When you have to sell your fields, the remainder can't sustain your life. You have to lease fields, because you have fewer fields after what you've sold. In the beginning, the offers of Ziya Agriculture sustained some part of the cost of the lease. But over time, Ziya Agriculture did not offer the same amounts anymore. Then I had to take out credit again and again from the bank to obtain an efficient amount. You have to apply to the banks to take out a loan to pay the cost of the lease because your earnings from agriculture don't cover your total costs. Getting credit became an obligation at this step. Fertilizers, seeds are already sources of our debts. The factory doesn't give you the preliminary things you need to cultivate anymore. In addition to this, when your land also becomes a part of your debt, you can't balance your budget. As the last step, this cycle reaches a dead end because you tried to cover your debt to the bank by taking out new credit. However, when you start to lose land, the bank also stops giving credit to you. Then the bank receives your land in exchange for your debt. Me, I had to sell even my two tractors to pay all of my debts. At that point, both any debts and farming were finished for me. My indebtedness started because of farming. Would I return to this job? Of course not. I'll find a way to live with my retirement salary, and I won't get back into that vicious cycle again.<sup>65</sup>

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<sup>65</sup> 2000'lerin ortasıyla başladı. Önce yavaş yavaş borçları ödeyemedik, geliri giderini karşılayamadı. Yavaş yavaş azaldı bizim tarlalar tabii. Önceleri Ziya Tarım iyi para teklif etti. Hem kredi borcundan ödeyecek hem de azalan toprağının yerine icar parasının bir kısmını ödeyecek para bıraktı eline. Fakat, toprak satınca da ne yapıyorsun, zaten az olan toprak daha da az olunca yine icar almak için yine kredi çekiyorsun. Zorundasın. Zaten tohumudur gübresidir hep borçla alıyorsun artık. Öyle eskisi gibi fabrikadan gelmiyor ki. Üzerine bir de toprağın yükü bindi mi? Kredi çekip kredi borcunu kapatmaya çalışan bir hale düşüyorsun. Fakat, banka da bir noktada dur diyor sana, vermem daha fazla kredi çünkü alacağın ederde gösterebileceğin toprağın yok artık. E sonra bankaya borcunu da ödeyemez oluyorsun, gelip alıyor toprağını. En sonunda işin içinden hiç çıkamayıp elindeki iki traktöründen bile oluyorsun işte. Onları da sattıktan sonra hem borçlar bitti hem de çiftçiliği bitirdim. Zaten borca harca çiftçilik yüzünden bulaşmışım, ister miyim tekrar? Fabrikanın verdiği maaşla geçimime bakarım da tekrar girmem bu kısır döngünün içine.

Within this trajectory, the land-grabbing strategy of Ziya Organic Food JSC changed. Rather than offering huge amounts of money to producers, the company began making its land acquisitions via the land liens. Land-grabbing was then maintained by direct sales from the bank, with the company breaking its connections with the producers. This shift in the strategy of the company is summarized in Dügüncülü as follows:

In the beginning, Ziya Agriculture made offers to us to buy our lands. We sold our lands directly to the company. However, it did not stop at that point. With the beginning of our land-selling, we couldn't achieve the balance of our budget again. It was clear that we couldn't pay our debts by taking on new debts. At the same time, our land amounts had decreased with time. In the end, the bank started to get our lands as a result of our liens. After that point, Ziya Agriculture didn't come around the village with offers anymore. The company paid the value of our liens to the bank, and it continued to buy directly from the bank. It obtains whatever lands it needs from the bank. The company doesn't need us anymore to buy land. At this point, neither the personnel from the bank nor from the company visit these villages.<sup>66</sup>

While the producers in Büyükmandıra and Dügüncülü cannot develop an alternative strategy with their marginalization in the agricultural sector, the reflections of Pancarköy can be summarized as follows

After 2008, the bank started to appropriate the lands with liens as a result of unpayable debts. After that point, Ziya Agriculture started to work with the bank. The company can always find the most profitable way. Working with the bank is easier than working with us. On the one hand, they don't make offers to us as often as before. And on the other hand, when personnel do come here with an offer, its amount is no longer as high as the previous levels. After this point, the company started to offer whatever the real value of your land is. Then, why would I sell my land if I don't make any profit?<sup>67</sup>

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<sup>66</sup> En başları tamam, bize teklif edip satın aldılar ama o noktada durmadılar ki. Zaten biz de gün yüzüne çıkamaz olduk. Borç almayla borç kapanmıyor. Bir yandan da toprağın giderek azalıyor. Banka bir bir el koydu topraklara demem o ki. Sonrasında Ziya'da bize teklif getirmez oldu. Bankanın ipoteklediği toprağın verdi parasını satın aldı. Bankayla halletti işini, bize gerek kalmadı. Zaten o noktadan sonra ne banka çalışanı ne de Ziya'nın adamları uğramaz oldular buralara.

<sup>67</sup> İşte borcunu ödeyemeyenlerin topraklarını almaya başladı 2008 sonrasında banka buralarda. Zaten hemen hemen aynı zamanlarda Ziya Tarım da bizimle değil de bankayla çalışmaya başladı. Bilir onlar işlerini. Ortak bir dil tuttururlar bankayla. Hem bir yandan bize eskisi kadar sık teklif getirmez oldular. Teklif getirdiklerinde de artık eskisi gibi rakamlar vermediler. Ederi neyse onu söylediler. E ben niye satayım herhangi bir karım olmayacaksa toprağımı?

In this sense, the second strategy for land-grabbing seems to be using instruments of indebtedness. This strategy for big capital seems to be more profitable than the first strategy according to the reports of the producers, since Ziya Organic Food JSC finds a way to acquire land without making any costly offers to the producers. Furthermore, the company had to issue personal contracts one by one with the producers in its first strategy by individually preparing adequate settlement proposals for them. However, the collection of lands with a lien creates a direct link with the bank, reducing the costs of any inflated offers for the producers.

The privatization of the Alpullu Sugar Factory occurred at the end of this land-grabbing process. The company offered the highest price in its tender offer, and the privatization was an expected result for the producers since they were already familiar with the activities of the company in the region starting from 2007. The reflections of the producers in these three villages, as presented in the previous chapter, gain context in the light of these conditions.

As was detailed in the previous chapter, the most powerful support for the anti-privatization campaign occurred in Pancarköy, although the producers in Büyükmandıra and Dügüncülü are more dependent on sugar beet production. There are two main explanations for this situation. First, the producers in Büyükmandıra and Dügüncülü were marginalized in the neoliberal transition process with their withdrawal from their lands. They cannot reproduce their labour power within agriculture and so the privatization of the Alpullu Sugar Factory does not affect their existence as agricultural producers. Second, for the producers in Pancarköy, agriculture is still a source of side income. They continue the reproduction of their capital with their earnings from agricultural production. Furthermore, the existence of big capital in the local market is evaluated as the main threat to their competitiveness. One of the producers in Pancarköy explains this situation as follows

We reject the privatization decision for the factory. When Ziya Organic Food JSC bought the factory, it became evident that the company would never pull out of the local market. How can we compete with the company? How can we resist the market strategies of the company? The company is very powerful in terms of its capital. It can maximize its profit very easily.

It can determine the prices for both the selling and the buying of the crops. How can we deal with the company under these conditions? How can we continue our cultivation on an equal basis with the company?<sup>68</sup>

With hindsight, it becomes clear that the neoliberal transformation in the sugar market has already been completed with their withdrawal from agricultural production for the producers in Büyükmandıra and Dügüncülü. Furthermore, the transformation of the sugar policies in the 1990s is identified by them as a dissolution of the factory without privatization. Hence, their articulations with the factory were already broken in this process, and the privatization is nothing more than the final step in that ongoing transition. However, for the producers in Pancarköy, the privatization is understood as an announcement of the eminence of the private firm and they foresee privatization killing their own competitiveness. Their rejection of privatization is shaped by this perspective. Lastly, one point of unity among the producers from the three villages should be underlined. They are all still tied to the factory due to their retirement salaries. Hence, their rejection of privatization is also explained by this tie. While their positions in agricultural production have been quite contradictory, as summarized here, their labour status in the factory seems to be the only commonality for developing a collective rejection against the privatization.

Therefore, the post-2000 framework represents the changing positions of the producers in production relations. While the financialization of agrarian relations with the diffusion of debt instruments throughout the villages seems to have determined the new form of the reproduction of labour power, it also shapes the main land-grabbing strategy of big capital. To the extent that all of the social relations organized around the Alpullu Sugar Factory have been transformed according to this new form, the privatization of Alpullu has been the final nail in the coffin in the course of this transition.

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<sup>68</sup> E istemedik fabrika özelleşsin. Ziya onu da satın alınca, belli ki iyice kalıcı olacak buralarda, artık daha da gitmez olacak. Nasıl başa çikalım biz onunla? Nasıl duralım karşısında? Kocaman şirket, çok güçlü. İstedığı kadar kar yapıyor. İstedığı fiyattan alıyor satıyor. Biz baş edebilir miyiz onunla? Aynı kulvarda yarışabilir miyiz onunla?

## CHAPTER 5

### CONCLUSION

This thesis has presented an attempt at comprehending the neoliberal restructuring in agrarian relations. In this sense, one of the main objectives has been to provide a framework to consider how and in what ways privatization, as an internal aspect of this restructuring, occurred in the case of the Alpullu Sugar Factory. The privatization of Alpullu appeared on the agenda after the amendment of Sugar Law No. 4634 on 4 April 2001, and the process was completed on 21 February 2018.

The general tendency in efforts to understand the main dynamics behind such privatization is to focus on the internationalization of agriculture and its particular impacts on the sugar market. To the extent that food regime analysis draws a critical background for the ongoing articulation of relations in the global capitalist market, the majority of the literature is driven by this analysis concerning the changing roles of the Turkish state in the sugar market during the neoliberal transition, focusing on the global movement of capital and “the state system via global mechanisms of regulation” as the direct consequence of capital movement (McMichael and Myhre, 1991, p. 85)

From this perspective, the privatization is considered as a direct consequence of the adjustment policies in national agriculture applied under the guidance of international agents, namely the WB, IMF, WTO, and EU. In this sense, “adjustment loans extract and underwrite policy changes such as market liberalization, sectoral restructuring, privatization, and promotion of exports to service debt” (McMichael, 1992, p. 354). Indeed, the neoliberal restructuring of Turkish agriculture became visible with the series of LoIs submitted to the IMF starting in 1998. Furthermore, the SPO reports on the sugar sector underlined the necessity of restructuring in light of the agreements with the WTO, IMF, and WB.



Therefore, food regime analysis puts emphasis on the impacts of internationalization of agriculture on national structures as shaped by the pioneering roles of international agents, drawing a descriptive schema that concludes with “a neoliberal project of agricultural liberalization via structural adjustment mechanisms and WTO rules encouraging universal agroexporting and requiring states in the global South to open their economies to the Northern-dominated international food trade, dismantle farm sector protections and adopt intellectual property protections” (McMichael, 2012, p. 682).

However, the field research conducted within the scope of this thesis in the villages of Babaeski/Kirklareli emphasizes that conceptualization of an ongoing transformation must be performed by putting it into its social context. Placing strong emphasis on how nation states articulate with the global market by recognizing the constitutive role of the state in the formation of the market and simultaneously downplaying the internal dynamics within the social structure carries “the potential danger of losing the sight of the actual struggles of the power within and between societies...along the idealised paths of capitalist development” (Yalman, 2009, p. 346).

In light of this, Chapter 2 focused on establishing the significance of the Alpullu Sugar Factory within a historical context by investigating it as an integral part of state/society relations. While the establishment of the Alpullu Sugar Factory in 1926 was the result of cooperation between private initiatives and the state, the TSC was authorized in 1935 and the 22% private ownership of the factory was sold to the state. After that point, sugar beet production was expanded in the Trakya region with the leadership of the Alpullu Sugar Factory. To the extent that sugar beet was produced for the market starting from this initial point, for these producers the establishment of the sugar industry in Turkey meant a shift from subsistence to commercial family farms. From 1935 until the 1980s, the state was directly engaged with the sugar market. During the developmentalist era, producers in the villages could make investments with the help of state subsidies for sugar beet production and could utilize its high profitability per decare. However, the post-1980 period

was marked by a neoliberal rupture. Its orchestration in the agricultural sector was completed with the guidance of the IMF and WB, and the main promise of the era was the rolling back of the state and the penetration of private capital in agrarian relations.

Chapter 3 then focused on the particular impacts of this trajectory on the Alpullu Sugar Factory and the villages. In this chapter, the personal reflections of sugar beet producers on the changing forms of state/society relations within the context of Alpullu were presented. The main impacts of neoliberal restructuring on the region were threefold: (i) immigration to urban areas; (ii) the end of animal husbandry; and (iii) withdrawal from sugar beet production. It is observed that the main source of differences among the villages is the amount of land possessed by the producers. While those in Büyükmandıra and Düğüncülü experienced the process with impoverishment and the loss of their means to continue agricultural production, the producers in Pancarköy tended to voluntarily withdraw from sugar beet production and cultivate other crops like wheat and sunflowers.

Bankruptcy is another critical phenomenon occurring in Büyükmandıra as a consequence of the neoliberal transformation. However, the producers in Pancarköy were able to protect their statuses and maintain balance by developing an alternative strategy. This strategy was related to the village's land capacity. It was seen in discussions with the producers that while land scarcity in Büyükmandıra and Düğüncülü created a high level of dependency on sugar beet production and functioned as the main obstacle to developing any alternative strategies of shifting to another crop, Pancarköy has sufficient and fertile lands. Ironically, although Pancarköy seems less dependent on sugar beet production thanks to this ability to develop alternative strategies for maintaining agricultural production, the most powerful support for the anti-privatization campaign came from this village. The main reason for this was detailed in Chapter 4.

Chapter 4 illustrated the dynamics of the post-1990s period. The differences among the producers were concentrated in this period with respect to their ways of articulating with market relations. The producers perceived this process as being

divided into two sub-periods. The first is the post-1990s period, representing the shrinking of state subsidies, the application of the quota system, and the new measurement criteria for sugar polarization. As their withdrawal from husbandry had already disrupted the balance between the agricultural and livestock sectors, they could not keep meeting the preliminary expenses to begin a season's sugar beet production with the reduction of the state subsidies. Furthermore, the quota and the new polarization measurement criteria affected their incomes negatively. Therefore, their previous investments melted away in this period, and so the 1990s are identified as a period of loss by these producers. The second sub-period is the post-2000 years, with the emergence of debt instruments in the region. The producers tried to reverse their losses by using agricultural credit and credit cards. This point is quite critical, as this represents a strategy to reproduce their labour power in agrarian relations. While this reproduction was previously sustained via the state subsidies, the income from sugar beet production, and the development of animal husbandry in connection with the by-products of sugar beet in the period before the 1980s, the transition in the 1990s reduced all of these mechanisms, replacing them with financial instruments.

However, the articulation of the producers with these instruments has also varied. While the producers in Pancarköy have used them to reproduce their investments, the producers in Büyükmandıra and Dügüncülü tried to procure the preliminary expenses for agricultural production by using credit. This differentiation among the villages seems to be an organic result of the class position of family farmers. Their class position presents a dichotomous situation in which labour is experienced in the form of families/households and capital is experienced in the form of land, tools, and other preliminary necessities to start the cultivation (Bernstein, 2010, p. 103). Therefore, the land abundance in Pancarköy aligns the producers more closely with the capital side of this dichotomy, while the opposite is true in Büyükmandıra and Dügüncülü due to land scarcity.

The concentration of indebtedness in Büyükmandıra and Dügüncülü particularly resulted from the land-selling of the post-2000 period. At the same time,

Ziya Organic Food JSC started land-grabbing in the region, diffusing the local sugar market with the privatization of the Sarımsaklı Agriculture Enterprise as an offshoot of the Alpullu Sugar Factory to produce seeds in 2007. The privatization of Alpullu was the final step in this process. To the extent that the producers in Büyükmandıra and Düğüncülü had already withdrawn themselves from sugar beet production due to the impacts of the changing relations between the state and agricultural producers, the privatization of the factory did not cause a radical rupture in their existence. For the producers in Pancarköy, however, the privatization signifies the unavoidable domination of the private sector and threatens their existence in the local market. Although they have already withdrawn from sugar beet production, they can continue agricultural production by cultivating other crops. Therefore, the activities of Ziya Organic Food JSC are evaluated by them as a direct threat to their competitiveness in the agricultural sector.

Overall, this thesis has tried to analyse the ongoing restructuring in the agricultural market with the case of the privatization of the Alpullu Sugar Factory by considering it on the basis of how the reproduction of labour power could be sustained in the villages during the process. While the experiences of the producers were positively defined by the mechanisms provided by state subsidies in the pre-1980s period, they later had to find new channels for maintaining their subsistence in the private market by using debt instruments. While the levels of land ownership seem to be the main variable differentiating the producers and determining their new places in the market, the dominant tendency in the villages is impoverishment with the loss of husbandry and previous investments in agriculture. Furthermore, land scarcity results in withdrawal from agriculture as a result of high levels of indebtedness in Büyükmandıra and Düğüncülü. However, it should also be noted that producers can find new ways to articulate with the agricultural market by using credit mechanisms as their main financial resources if they do not already suffer from land scarcity, as was observed in Pancarköy.

In the light of these empirical findings, the following three theoretical points can be considered. Firstly, as discussed in Chapter 2, Alpullu Sugar Factory and the

social relations orchestrated around it cannot be understood without developing a comprehensive analysis of the state/market relations and/or social relations. Hence, the analysis of the neoliberal restructuring in the agrarian relations requires an integral approach to state/market/society relations.

The second point, as the main basis of Chapters 3 and 4 is the changing form of the reproduction of labour power in the agrarian relations during the transition process. This study contends that the neoliberal rupture represents a shift in the ways in which the agricultural producers reproduce their subsistence. As it has been highlighted, the pre-1980 period had represented a balance between the husbandry and the sugar beet production which was realised thanks to the state subsidies provided for the beet producers. However, the neoliberal restructuring in the state/society relations broke this balance by concentrating on the 1990s in the agrarian sector. While the labour power in the agricultural production can be reproduced itself within this balance, the dynamics of the post-1990s have dissolved it completely. Under the conditions of land-scarcity, the only way to reproduce their subsistence as agricultural labourers seems to be increasing dependence on financial instruments. Thus, it can be said that the emerging gap after the dissolution of the state subsidies is tried to be replaced with the credit mechanisms.

As a final point worthy of further theoretical consideration, one could re-call the concept of ‘accumulation by dispossession’ to come to terms with the changing strategies of the sugar beet producers, as they have been forced to give up husbandry and sell their land well before the actual privatization of Alpullu Sugar Factory. As Harvey (2003, p.145) reformulated Marx’s concept of primitive accumulation as

the commodification and privatization of land and the forceful expulsion of peasant populations; the conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights; the suppression of rights to the commons; the commodification of labour power and the suppression of alternative (indigenous) forms of production and consumption ...

Indeed, the beet producers used to define their livelihoods with reference to their land, thus the possession of land had become the central element of the reproduction of their labour power. With the neoliberal transformation, however, it could be argued that there has been a rupture in terms of the symbolic value the producers attributed to their land, as they have been increasingly dispossessed of their means of livelihood. Yet, at the same time, the neoliberal rupture entailed a shift through the commodification of the land which, in turn, has paved the way for their rather differential articulation with land.

Dispossession in the context of the changes experienced in agrarian relations is not limited with the land, but also includes the privatisation of the public, i.e. state-owned, properties. As the interviews indicated, the beet producers' relationship with Alpullu Sugar Factory has also changed parallel to the rupture in the symbolic value they attributed to their land.

Furthermore, as Harvey (*ibid*, p.147) underlines the mechanisms of primitive accumulation continue today as accumulation by dispossession with the major institutions of finance capital playing a prominent role. Then, it can be claimed that mechanisms of accumulation by dispossession in the neoliberal era “preclude anything except the capital-intensive modes of agricultural production [that] have likewise resulted from the wholesale commodification of nature in all its forms.” (*ibid*, p.148)

For taking a step further in this discussion, the neoliberal transition in general, and the land-grabbing process in particular can be reconsidered as a reflection of accumulation by dispossession. As the last words, it is hoped that this study has presented an informative picture of the actual struggles within the ongoing social relations orchestrated around the Alpullu Sugar Factory for the development of a critical analysis for a better understanding of the state and the market with respect to agrarian relations.

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## APPENDICES

### A. TÜRKÇE ÖZET / TURKISH SUMMARY

Bu çalışmada Türkiye'nin Kırklareli ilçesinde bulunan Babaeski ilçesine bağlı üç köyde yürütülen saha çalışmasına dayanarak, Alpulu Şeker Fabrikası'nın özelleştirilmesinin neoliberal yeniden yapılandırma süreci içerisinde son uğrak olarak incelenmesi amaçlanmıştır. Araştırmaya konu olan Alpulu Şeker Fabrikası'nın inceleme nesnesi olarak seçilmesinin ardındaki temel neden, 2001 yılında Devlet Planlama Teşkilatı'nın (DPT) hazırlamış olduğu şeker raporunda, Elâzığ, Kars, Malatya ve Susurluk'ta bulunan fabrikalarla birlikte Alpulu Şeker Fabrikası teknik alt yapı yetersizliğinden ötürü kapanma ihtimali yüksek fabrikalardan biri olarak duyurulmuştur. Bununla birlikte, 2018 yılında yayımlanan özelleştirme paketinde yalnızca Alpulu Şeker Fabrikası'nın bu beş fabrika arasından özelleştirileceği kararı açıklanmıştır.

İnceleme yapılacak fabrika bu şekilde belirlendikten sonra, saha çalışmasının yürütüleceği köyler fabrikaya olan coğrafi yakınlıkları açısından değerlendirilmeye alınmış ve fabrikaya en yakın konumda bulunan Büyükmandıra, Pancarköy ve Dügüncülü köyleri seçilmiştir. Coğrafi yakınlık iki sebepten önem taşımaktadır. İlk olarak, üretilen pancarın fabrikaya satılması açısından üretici ve fabrika arasında doğrudan bir bağ gelişir, başka bir deyişle herhangi bir aracıya, veya tüccara, gereksinim duyulmaz. İkinci olarak, pancarın fabrikaya girişinden sonra işlenip şekerle dönüşmesi esnasında çalışacak işçiler, yine pancar ekimi yapan çiftçiler tarafından karşılanır. Yani, pancar üreticileri aynı zamanda onu şekerle dönüştüren ve fabrikada çalışan geçici işçilerdir. Bu bağlamda, adı geçen köylerde sırasıyla beş gün süreyle otuz kadar katılımcı ile; beş gün süreyle yirminin üzerinde katılımcı ile ve üç gün süreyle yirmiye yakın üretici ile yarı yapılandırılmış derinlemesine mülakatlar gerçekleştirilmiştir.

Saha çalışmasından önce, mevcut literatürün de etkisiyle araştırma sorusu şu şekilde ortaya koyulmuştur: "Alpulu Şeker Fabrikası'nın özelleştirilmesinin seçilen



Babaeski köyleri bağlamında üretici üzerindeki etkisi nedir?”. Bilindiği gibi, Türkiye’de şeker rejimindeki neoliberal dönüşüm 4 Nisan 2001’de 4634 Sayılı Şeker Kanunu’ndaki değişiklik ile somutluk kazanmıştır. Bu tarih itibariyle uygulanan şeker politikaları eski ve yeni şeker rejimi olarak ikili bir ayrıştırmaya gidilerek incelenir. Buna göre, eski gıda rejimi yoğun devlet destekleriyle ve Türkiye Şeker Fabrikaları A.Ş.’nin monopolü altında devam eden, küçük üreticilerin pancar üretimini sürdürdüğü ve bu sebeple, Devlet Planlama Teşkilatı tarafından parçalı ve verimsiz bir üretim şemasının var olduğu iddia edilen koşullar altında devam etmektedir. Bunun devamı olarak, bu durumun Türkiye şeker piyasasının dünyadaki rekabet gücünü ortadan kaldırdığı ve şeker üretiminin devlet sektörü açısından oldukça masraflı bir hale dönüştüğü, ulusal bütçe açısından da eski şeker rejiminin yük olduğu ifade edilir.

Kanun değişikliği ile amaç, özel sektör ile üreticiler arasında serbest piyasa şartlarının sağlandığı koşullarda fiyatların belirlendiği, devlet monopolünün uzaklaştırılarak hem kamu bütçesinden şeker fabrikalarının yük olmaktan çıkarıldığı hem de özel sektörün varlığıyla rekabete açık, verimlileştirilmiş ve rasyonelize edilmiş bir şeker piyasası zemini hazırlamak yeni şeker kanununun, veya yeni şeker rejiminin, temel amaçlarıdır. Üstelik, zaman içerisinde şeker fabrikaları kuruluş amaçları açısından şeker üretiminin çok daha ötesine geçip bölgesel işsizliği, az gelişmişliği gidermeye yönelik araçlara dönüşmüştür. Bu durum, şeker piyasası rasyoneliyle çelişir gibi görünmektedir.

Kanun değişikliği ile çizilen yeni şeker rejimi resmi, aslında Dünya Ticaret Örgütü (DTÖ), Dünya Bankası (DB), Uluslararası Para Fonu (IMF) ile yapılan anlaşmalarda önerilen değişiklikler etrafında biçimlenmiştir. Dolayısıyla, küresel ölçekte yaşanan tarımda neoliberal küreselleşme döneminin Türkiye’ye yansımaları, bahsi geçen kanun değişikliği ile formallik kazanmıştır denilebilir.

Aslında, Türkiye’de devletin piyasadaki faaliyetlerinden geri çekilmesinin sağlanıp; piyasanın rekabetçi ve rasyonel hale gelecek şekilde düzenlenmesi gerekliliği söylemi, Poulantzascı bir perspektiften bakılarak olağanüstü devlet formu olarak anılabilecek 1980li yıllarda askeri hükümet tarafından uygulanan 24 Ocak

Kararları'nın bir uzantısıdır. Ne var ki, uygulanan neoliberal yapısal uyum düzenlemeleri tarım sektörüne 1980'li yıllarda doğrudan uygulanmamış, yalnızca piyasadaki düzenlemelerin üreticiler üzerindeki dolaylı etkileri gözlemlenmiştir. Fakat, 1994 yılında yaşanan döviz krizi ile birlikte tarım sektörünün kamu bütçesi açısından ciddi bir yük olduğu ve kesintiye gidilip özel sektöre devrinin sağlanması ile rasyonel hale getirilmesi gündeme gelmiştir. Bu şartlar altında, dikkati çeken ilk neoliberal yeniden yapılandırmaya yönelik adım IMF'ye verilen 26 Temmuz 1998 tarihli niyet mektubudur. Bu mektupta, ülkede yaşanan yüksek enflasyonun nedeni, kamu kurumunun kâr amacı gütmemesi çevresinde şekillenen yüksek masraflılığı ile yine uygulanmakta olan yüksek tarımsal destekleme fiyatları olarak saptanmıştır. Diğer bir neden ise, Ziraat Bankası'nın uyguladığı tarımsal kredilerin serbest piyasa koşullarından çok uzakta olması olarak belirlenmiştir.

Bu mektubu, 9 Aralık 1999'da verilen ikinci bir niyet mektubu takip eder ve burada, ürün desteğinin tasfiye edilip doğrudan gelir desteği sistemine geçileceği, destek fiyatlarının ciddi kesintilere uğratılıp dünya fiyatları ile rekabet edilebilirliğinin sağlanacağı, Tarımsal Satış Kooperatifleri'nin liberalize edileceği sözleri verilmiştir. Ardından gelen 10 Mart 2000 tarihli mektup ile de devlet tekelleri olarak anılan tarımsal devlet iktisadi teşebbüslerinin özelleştirileceği duyurulmuştur. Tüm bu çabalar, 6 Temmuz 2001 yılında Dünya Bankası tarafından 600 milyon dolarlık bir bütçe ile sponsor edilen Tarım Reformu Uygulama Projesi kapsamında 'ödüllendirilmiş' gibi görünmektedir.

Dolayısıyla, şeker piyasasının neoliberal dönüşümü söz konusu olduğunda uluslararası aktörler ile Türkiye devletinin arasında şekillenen iş birliği dikkat çeker. İnceleme, küresel aktörlerin ulus devletler üzerindeki etkilerine odaklanır. Bu etkiler altında da şeker pancarı üretimi yapan küçük üreticilerin yaşamlarının nasıl dönüştüğü tartışılır. Başka bir şekilde ifade etmek gerekirse, üreticiler ile devlet arasında tek yönlü, devletten başlayıp üreticilere temas eden bir bağ tanımlanır. Dolayısıyla saha çalışmasının başladığı günlerde, araştırma sorusunun özelleştirmenin üreticiler üzerindeki etkilerine odaklanmasının nedeni süregelen

tartışmalar ile uluslararası aktörlerin şeker piyasasının neoliberal dönüşümü üzerindeki aktif rolüdür.

Fakat, Babaeski köylerinde yürütülen araştırmanın ortaya koyduğu en temel sonuç, devlet ile üreticiler arasında yukarıda bahsedildiği üzere tek yönlü, etkileyen/ etkilenen taraflara indirgenmiş bir ilişkiler ağının tanımlanamayacağıdır. Köylerde devletin görünen yüzü Alpullu Şeker Fabrikası ve onun etrafında organize olan politikalar ile şekillenmiş ilişkiler ağıdır. Dolayısıyla, Alpullu Şeker Fabrikası'nın kendisi bir fabrika olmanın ötesinde belli bir toplumsallığı temsil eder. Şeker üretimindeki neoliberal kırılma, özelleştirme kararı ile işaretlenmenin çok ötesinde, 1960'lı yıllarda üreticilerin kendi deneyimleri ile başlayan fakat fabrikanın kurulmasına kadar atalarından dinledikleri hatıratlarına dayandırılarak geriye götürülerek açıklanmaktadır. Dolayısıyla Alpullu Şeker Fabrikası'nın özelleştirilmesi, yalnızca 1990'lı yılların sonunda yoğunlaşan devletin tarımsal “reformları” etrafında deneyimlenmez, ve de bundan dolayı bu şekilde bir yaklaşım ile açıklanamaz. Aksine, üreticilerin deneyimlerinde şekillenen bir tarihsellik ile belli bir dönüşümün son uğrağı olarak özelleştirme anlam kazanır. Üstelik, özelleştirme bu tarihsellikten azade, kendinden menkul bir anlam taşımaz; aksine, üreticiler tarafından yalnızca “malum olanın duyurulması” ya da “zaten devlet ve kendileri arasında çoktan kopmuş olan bağların somutluk kazanması” olarak değerlendirilir.

Bu noktadan hareketle, bu tez çalışması Alpullu Şeker Fabrikası'nın özelleştirilmesinin toplumsal ilişkilere kritik bir perspektiften odaklanılarak anlaşılabilirliğini ortaya koymaya çalışmış ve tezin örgüsünü bu şekilde şekillendirilmeye çalışılmıştır. Çalışmanın ikinci bölümünde, Alpullu Şeker Fabrikası'nın kurulmasından bugüne kadar geçen sürede devlet ve piyasa arasında belli bir ikilik yaratmadan, devlet/piyasa/ üreticiler arasındaki birbirini şekillendiren ve birbirinden etkilenen ilişkilere odaklanarak fabrikanın toplumsallığına dair tarihsel bir zemin oluşturulmaya çalışılmıştır. Burada yürütülen tartışmanın bir diğer amacı da üreticilerin üçüncü bölümde incelenen deneyimlerinin tarihsel arka planını oluşturmaktadır.

Üçüncü bölüm, gelişimi doğrudan Alpullu Şeker Fabrikası'yla olan Alpullu beldesinin ve de fabrikaya pancar tedarik eden Büyükmandıra, Pancarköy ve Dügüncülü köylerinin özelleştirmeye kadar geçen süreçte ne gibi değişimler yaşadığını saptamak ve de saha çalışması yapılan bölgenin temel dinamiklerini ortaya koymaya çalışır. Alpullu'da ve bahsi geçen üç köyde de ortak eğilim nüfusun özellikle 1990 sonrası hızla düşmeye başlamasıdır. Ayrıca köylerde, hayvancılığın çözülmesi ile şeker pancarı üretiminden kopuş diğer iki ortak noktalar. Fakat, sürece dair üreticilerin deneyimleri farklı şekillerde şekillenmiştir. Büyükmandıra ve Dügüncülü'de yaşayan üreticiler yaşanan bu üç temel değişikliği doğrudan fabrikanın 1980 öncesi dönemde işlediği gibi işlememesine bağlarken, Pancarköy'de ise bu durum kişisel tercihlere indirgenerek açıklanmaktadır. Üreticilerin bu yaklaşımlarının sebeplerinin anlaşılabilmesi için, köylerin özgün koşullarının ortaya koyulması gereklidir.

Öncelikle Büyükmandıra, Balkan göçmenleriyle nüfusu büyük ölçüde artmış; fakat nüfusa oranla toprağın yetersiz olduğu bir görünüm çizer. Özellikle 1960-1980 dönemleri arasında devletin, fabrika aracılığı ile dağıttığı sübvansiyonlar ile pancar üretmeye devam etmiş; pancarın halihazırda oldukça karlı bir ürün oluşu ve en önemli yan ürünü olan küspe ile hayvancılığı geliştirmiştir. Hayvancılığın gelişmesine bağlı olarak, köyde mandıra sayıları çoğalmış, üreticiler aynı zamanda bu dönemde yine lokaller tarafından kurulan restoranların hayvan ihtiyaçlarını karşılayarak geçimliklerini sağlamanın yanı sıra birikim de yapabilmişlerdir.

Burada önemli olan nokta, şeker pancarı üretimi ile hayvancılığın belli bir uyum halinde birbirini sponsor etmesidir. Daha açık söylemek gerekirse, ekim zamanı geldiğinde, ekim masraflarının karşılanabilmesi için devlet yardımlarının yanı sıra hayvanlarından satın pancar üretimine devam edebilmişler; ve de pancarlarını fabrikaya teslim ettikten sonra elde ettikleri gelir ile tekrar hayvan satın almaya yönelmişlerdir. Dolayısıyla, şeker pancarı tarihsel süreç boyunca hiçbir zaman geçimliklerini tek başına sağlamamış; fakat tarım içerisinde birbirini besleyen bir döngü yaratmaları da sübvansiyonlar sayesinde mümkün olmuştur.

Fakat, devlet sübvansiyonlarının azalmaya başladığı 1990'lı yıllardan itibaren öncelikle pancar ekimine devam edebilmek için sattıkları hayvanları, hasat sonrasında yeniden satın alamaz duruma düşmüşler ve tarım içi yatırımlarını tüketmeye başlamışlardır. Halihazırda toprak miktarının az olması, bölgede yetişen ve devlet desteği olan buğday, ayçiçeği gibi ürünlere geçiş yapmalarını imkânsız kılmış ve yine aynı sebeple şeker pancarı üretimine yüksek derecede bağımlılık göstermişlerdir.

Düğüncülü köyünde, toprakların nehir taşkını gibi nedenlerle verimsiz olması ve köyün toprak miktarının az olması, yine Büyükmandıra'daki benzer bir durum oluşturur. Topraklarının verimsiz olması, Büyükmandıra gibi hızlı bir zenginleşmeyi de engellemiştir. Dolayısıyla bölgede Paris olarak anılan Büyükmandıra'daki gelişmişlik düzeyi hiçbir zaman bu köyde gözlemlenememiştir. Şeker pancarının toprak altında yetişen ve su taşkınlarına karşı buğday, ayçiçeği gibi ürünlere kıyasla çok daha dayanıklı olması da toprak miktarının azlığı ile birleşerek şeker pancarı üretimine yüksek derecede bağımlılık göstermelerine neden olmuştur.

Pancarköy'de ise durum farklıdır. Köy, 1990'lar sonrasına özgü olarak değil daima nüfus göçü vermektedir. Ayrıca tarihsel olarak nüfusu az alan köyün toprakları bol ve verimlidir. Dolayısıyla ilk iki köyde nüfus göçü doğrudan fabrikanın politikalarını değiştirmesi ve bu sebeple bölgede iş imkânı kalmaması ile açıklanırken, Pancarköy'de göç hep karşılaşılan bir olgudur ve sebebi fabrikanın dönüşümüne değil, kişisel tercihlere dayandırılır. Toprakların bol ve zengin olması, 1980'lerin ortalarıyla birlikte şeker sübvansiyonlarının ve fabrika ile üretici arasındaki ilişkinin üretici aleyhine değişmesi ile birlikte, üreticilerin ayçiçeği ve buğday gibi geçimliliğin sağlanabilmesi için yüksek dekarlarda ekim yapılmayı gerektiren ürünlere yönelmesine olanak tanır. Dolayısıyla bu köydeki üreticiler, şeker pancarı üretiminden diğer iki köye kıyasla çok daha erken uzaklaşmıştır. Şeker pancarının getirisi, bu ürünlerde sağlanamadığından hayvancılık yok olmuş olsa bile, üreticiler tarımsal üretimlerine devam edip geçimliklerini sağlayabilecek bir strateji geliştirebilmişlerdir çünkü toprağın yeterli oluşu pancara olan bağımlılığı kırmış gibi görünmektedir.

Özetle, köylerdeki temel farklılaşma sahip olan toprak miktarı dolayısıyla ortaya çıkar. İlginç olan nokta ise şudur: şeker pancarı üretimine alternatif stratejiler geliştirerek bağımlı olmayan ve de şeker pancarı üretiminden çok daha erken kopmuş olan Pancarköy üreticiler, 2017 senesinde Alpullu Şeker-İş sendikası tarafından organize edilen özelleştirme karşıtı kampanyaya en yüksek katılımı göstermiş, üreticilerin o sene ettikleri pancar sayısı diğer iki köyün üzerine çıkmıştır. Her üç köyde de söylemsel düzeyde özelleştirme karşıtlığı varsa da, kampanyaya destek maddi temeller kazanmamıştır denebilir. Özelleştirme karşıtlığına ortak zemin yaratan olgu ise, her üç köyde de üreticilerin 1980 öncesinde fabrikada geçici işçi olarak çalışmalarıdır.

Yine de, niçin Pancarköylü üreticilerin, şeker pancarına dair bir bağımlılık göstermemelerine rağmen özelleştirme karşıtı kampanyaya en yüksek katılımı gösterdikleri sorusunun cevabı, 1990'lar ile başlayan sürecin farklı köylerde nasıl deneyimlendiğinde gizlidir. Dolayısıyla, bu çalışmanın dördüncü bölümü, üreticiler arasındaki farklılaşmaların da yoğunlaştığı 1990'lar ve sonrası döneme odaklanır. 1990 döneminde bütün üreticilerin ortak deneyimi şu şekildedir: şeker fabrikasının üreticiye olan tavrı değişmiş, fabrika artık pancar üretiminde kendilerini desteklemez olmuştur. Burada bahsi geçen tavrı değişikliği, aslında fabrikanın üreticilere sağladığı danışmanlık hizmetleri gibi destek mekanizmalarını kapsamaktadır. Şeker-İş temsilcisinin bu durum ile ilgili yaptığı açıklama ise, fabrikanın maddi olanaklarının, devletin tarımdan çekilmeye başlaması ile azaldığı, bu sebeple de üreticinin 1980 öncesi gibi desteklenemediği yönündedir.

1990'lı yılların sonlarında uygulanmaya başlanan kota sistemi ile şeker pancarının polarizasyonunun ölçümünde uygulanan standartların değişmesiyle beraber, üretici fabrikanın artık şeker üretimini tamamen bitirmek istediğini düşünmüştür. Kota sistemi, üreticinin istediği kadar pancar ekmesini engelleyerek, önceden belirlenmiş miktarlarda üretim yapmasını amaçlar. Bu sayede, TŞFAŞ bünyesinde gereğinden çok pancar depolanmayacağı öngörülür. Ancak, üretici açısından bu durum, fabrikanın üretimlerini engellemeye çalıştığı şeklinde algılanır. Üstelik, şeker polarının ölçümünün değişmesi de pancarlarının 1980 öncesine oranla

daha az polardan hesaplanması ve bu yüzden fabrikanın kendilerine daha az ödeme yapması anlamlarına gelir. Üstelik bu yalnızca yöresel bir sorun değil, basına yansıdığı kadarıyla Türkiye'nin genelinde gözlemlenen ve üreticilerin yeni sisteme karşı çıkmalarına neden olan bir durumdur.

2000'lerin başında doğrudan gelir desteği (DGD) ile şeker pancarı cumhuriyet tarihinde ilk defa devlet tarafından desteklenen, üretici için korunaklı bir ürün olmaktan çıkmış; bunun yerine tarımsal destekler sahip olunan toprak miktarı üzerinden dağıtılmıştır. Özellikle uygulanan kota sistemi ile beraber, üreticinin pancar ekebileceği alan oldukça sınırlandırılmış dolayısıyla pancar geliri düşmüş, bu durum karşısında da icar olarak kiraladıkları tarlalara ayçiçeği, buğday gibi ürünler ekmeye yönelmişlerdir. Fakat, sorun şudur: doğrudan gelir desteği sistemi, verilecek desteğin toprak mülkiyeti üzerinden dağıtılmasını öngörür. Dolayısıyla, desteğin alınmasında üretimi yapan çiftçidense, toprak sahibi olan ve toprağını kiraya veren çiftçi söz sahibidir. Bu durum, tarımsal üretimde kalmaya çalışan üreticiler üzerinde ek bir baskı yaratır.

Dolayısıyla 2000'lerin başına kadar gelen süreç temel dinamikleriyle şu şekilde özetlenebilir. 1980 sonrası azalan tarımsal destekler ile birlikte öncelikle hayvancılık çözülmüş ve üreticilerin şeker pancarı ile hayvancılık arasında yarattıkları denge bozulmuştur. 1990 sonlarında uygulanan kota sistemi ve polarizasyon ölçümündeki değişimler, üreticilerin pancar üretimi içerisinde kalmasını neredeyse imkânsız kılmış, toprak miktarı yetersiz olan köylerde geçimlerini sürdürebilmek için icara yönlenmişler ve tarımsal üretime başlamak için yaptıkları harcamaları hasat sonunda elde ettikleri gelir ile dengeleyememeye başlamışlardır. Bu sebeple borçluluk durumları artar.

2000'lerin başında bölge pazarına Deniz Bank'ın girip tarımsal kredi dağıtmaya başlamasıyla birlikte hayvancılık ve şeker pancarı üretimi arasında kurulan ve devlet destekleri ile sürdürülebilen denge, yerini kredi çekmek ve bu sayede tarımsal üretime başlamayı sağlayan öncül harcamaları karşılamaya dönüşmüştür. Başka bir deyişle, 1980 öncesi dönemin dengesi, özel krediler ve tarımsal üretim arasında yeniden inşa edilmeye çalışılmıştır. Fakat, kredi kullanım

amaçları üreticilerin sahip oldukları toprak mülkiyetine göre farklılık göstermektedir. Pancarköy’de kredilere yönelmenin temel sebebi icar almak ya da tarımsal makine almak gibi tarım içi yatırımlara öncelik vermektir. Büyükmandıra ve Dügüncülü’de ise durum farklıdır. Buradaki üreticiler yatırım yapmaktan ziyade, tarımsal emeklerini yeniden üretmeye krediler aracılığıyla devam etmeye çalışırlar. Yani, tarımsal üretime başlayabilmek için kredi kullanımına mecburdurlar.

Burada kritik nokta, Deniz Bank bölgesel markete girdiğinde köylerde kapı kapı dolaşmak suretiyle, oldukça düşük faizlerle ile kolay dağıtılan krediler teklif etmiştir. Üreticilerin bankayla tanışması bu sayede olmuştur. Ancak, 2000’lerin ortalarına gelindiğinde kredi koşulları ağırlaşmıştır ve üreticiler açısından kredi çekmek ilk yıllardaki kadar kolay olmamaktadır. Bu durumda Pancarköylü üreticiler, kredi çekip tarım-içi yatırım yapmayı karlı olarak tanımlamayı bırakırlar. Dügüncülü köyünde, kredi çekmeden üretime başlamak oldukça güç olduğundan, üreticiler tarımsal üretimi tamamen bırakmaya yönelmiş ve geçimliklerini emekli maaşlarıyla idame ettirmeye yönelmişlerdir. Borçluluk durumundan ötürü toprak satmak zorunda kalan üreticiler bu köyde gözlemlenebilir. Büyükmandıra’da ise borçluluk durumundan ötürü toprak satmak oldukça yoğundur.

Satılan toprakları ise 2007 senesinde Alpullu Şeker Fabrikası’nın yan kuruluşu olarak faaliyet gösteren Sarımsaklı Tarım İşletmesi’ni satın alan Ziya Organik Tarım A.Ş. satın almıştır. Burada, sermayenin geliştirdiği iki strateji karşımıza çıkar. Öncelikle toprak ipoteklerinin yoğunlaşmaya başlamasına kadar geçen sürede, üreticilere çok yüksek fiyatlar teklif edip topraklar doğrudan üreticilerden satın alınmıştır. Fakat, özellikle Büyükmandıra’da yaşanan borçlanma sonrası banka ipoteklerinin yoğunlaşmasıyla, şirket artık yüksek fiyatlar teklif etmeyip toprakları doğrudan bankadan satın almaya yönelmiştir. Dolayısıyla bu sürecin sonrasında, Büyükmandıralı üreticiler de tarımsal üretimden kopmuştur.

Özetle, Alpullu Şeker Fabrikası’nın özelleştirme ihalesi açıldığında, Büyükmandıralı ve Dügüncülü üreticiler halihazırda tarımsal üretimden kopmuş, Büyükmandıralı üreticilerin çoğunluğu topraklarını kaybedip marjinalleşmiş;



yalnızca Pancarköylü üreticiler tarımsal üretimi devam ediyor görünmektedir. Özelleşme ihalesinde, en yüksek teklifi verip fabrikayı satın alan şirket de on seneye yakın bir zamandır bölgede toprak toplayan Ziya Organik Tarım A.Ş.'den başkası değildir.

Özelleştirme karşıtı kampanyaya en yüksek katılımı gösteren üreticilerin Pancarköy'den çıkması bu bağlamda anlam kazanır. Üreticiler, fabrikanın da satın alınmasıyla birlikte şirketin bölgede tamamen hakimiyet kuracağından ve kendilerinin şirket karşısında rekabet edebilirliğinin tamamen yok olacağından endişe duyarlar ve bu sebeple şirketin bölgedeki varlığına karşı konumlanırlar. Fakat, Büyükmandıra ve Düğüncülü'de yaşayan üreticiler için tarım artık geçimliklerini sağlamanın bir yolu değildir. Tarımsal üretimden tamamen kopmuşlardır ve bu sebeple fabrikanın özelleştirilmesi kendi geçimliklerinde bir önem arz etmemektedir. Karşı çıkışlarının tek nedeni, fabrikayla aralarında oluşan geçici işçilik statüsünden gelen ve kendisini bugünlerde emekli maaşlarının sürekliliği ile yeniden inşa eden bağıdır.

Özetle 2001'de yasal bir değişiklik ile yolu açılan şeker fabrikasının özelleştirilmesi, bütün bir toplumsal ilişkiler ağı dönüşüncüye kadar gündemlerine gelmemiştir. Özelleştirme adımı atıldığında, fabrika gözlerinde çoktan dönüşmüş, eski önemini yitirmiş ve geçimlikleri açısından önem taşımayan bir olguya dönüşmüştür. Tekrar etmek gerekirse, özelleştirme malum olanın ilanıdır. Ziya Organik Tarım A.Ş.'nin faaliyetleri zaten son on yılda kendileri için oldukça tanıdıkır.

Bu bağlamda, yukarıda özetlenen ampirik bulgular Alpulu Şeker Fabrikası'nın özelleştirilmesi özelinde üç temel teorik arka plan ile birlikte düşünülebilir. İlk olarak, saha çalışmasının gösterdiği üzere, uluslararası anlaşmalar çerçevesinde şekillenen ve devletin doğrudan yerel ölçekte uyguladığı bir takım neoliberalleşme politikaların sonucu olarak Alpulu Şeker Fabrikası'nın özelleştirilmesini anlamak mümkün değildir çünkü burada çizilen tablo, üreticileri süreçten edilgen olarak etkilenen özneler olarak ele alır. Üstelik devlet/market ve tarımsal üreticiler arasındaki ilişkiler ağının dışsallaştırılmasına neden olur. Halbuki

özelleştirmenin mümkün kılınmasını oraya çıkararak süreç üreticiler ile fabrika arasında oluşan toplumsallığın, üreticilerin geçimliklerini sağlama dinamiklerindeki değişimler göz önünde bulundurularak değerlendirilmesi ile anlam kazanır.

İkinci olarak, 1980 öncesi ve sonrası yaşanan süreçteki en önemli kırılma, üreticilerin tarımsal emeklerini yeniden üretme biçimlerindeki değişimdir. 1980 öncesi dönemde, devlet destekleriyle şeker pancarındaki destekler aracılığıyla hayvancılık ve pancar üretimi arasında bir denge kurulmuş ve emeğin yeniden üretimi bu biçimde sağlanmıştır. 1980 sonrası desteklerin azalması sonucu, ilk önce hayvancılık çözülmüştür. Burada önemli olan nokta, üreticiler açısından hayvancılığın asli değil, tarım içi yatırım olarak değerlendirilmesidir. Dolayısıyla hayvancılık, geçimliliğin sağlanamadığı noktada, ilk olarak elden çıkarılan yatırım olarak düşünülmelidir. Hayvancılık ve pancar üretimi arasındaki dengenin çözülmesi, 2000'lerde üreticileri bölgesel piyasaya giren Deniz Bank'ın dağıttığı kredilere yönlendirmiştir. Dolayısıyla emeğin yeniden üretimi artık devlet destekleriyle değil, özel kredilerle sağlanmaya çalışılır.

Son olarak, toprağın bizatihi kendisi temel üretim aracı olarak özellikle 1980 sonrası dönemde dönüşmektedir. Başka bir deyişle, 1980 öncesi dönemde, üreticilerin toprakla kurduğu ilişki, toprak üzerinde kar etmeye yönelik değildir ve bu ilişki biçimi, toprağı alınıp satılabilir bir meta olarak değerlendirmekten çok uzaktır. Fakat, kredi kanallarının açılmasıyla toprağın ipotek edilip borçlanma durumunun ortaya çıkışı ve buna takiben özellikle Büyükmandıra'da yaşanan toprak kayıpları; üstelik, bölgeye büyük sermayenin girip toprak için 'karlı' teklifler sunması, toprağı ticareti yapılabilir bir metaya dönüştürmüş gibi gözükmektedir. Özetle, bu çalışmada tarımsal yapılarıdaki neoliberal dönüşümün, bahsi geçen teorik arka plan göz önünde bulundurularak, Alpullu Şeker Fabrikası'nın özelleştirilmesi örneğinde nasıl biçimlendiği tartışılmaya açılmıştır. Bu tartışma ile neoliberal dönüşümün bir parçası olan özelleştirmenin, ancak ve ancak üreticiler, devlet ve piyasa arasındaki ilişkiler ağının saptanarak anlaşılabilmesine dair bir yaklaşım geliştirilmiştir. Bu sayede, mevcut literatüre eleştirel bir katkı sağlanmaya çalışılmıştır.

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**YAZARIN / AUTHOR**

**Soyadı / Surname** : Altaytaş  
**Adı / Name** : Kübra  
**Bölümü / Department** : Siyaset Bilimi ve Kamu Yönetimi

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