

Mass protests by Turkish farmers

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On July 30, Turkish farmers held a 100,000-strong demonstration in the northeastern Black Sea city of Ordu to protest the policy adopted against hazelnut producers by the ruling Justice and Development Party (AKP).

Demonstrators from nearly 40 provinces gathered in Ordu and blocked the Ordu-Samsun highway for almost nine hours, chanting slogans against Prime Minister Recep Tayyip Erdogan and his leading advisor, Cüneyd Zapsu. According to official figures, 35 people were detained and 51 people were injured as a result of the police intervention.

Hazelnut production is a major agricultural activity in Turkey, and in recent months hazelnut farmers have criticised the AKP for favouring business interests at the expense of small farmers, whose situation has worsened considerably. The farmers have pointed to the pernicious influence of Zapsu, who is not only Erdogan's advisor but also has close ties with the hazelnut industry and other business interests. Zapsu is the chairman of the executive of the International Nut and Dried Fruit Council.

The massive protest came as a shock to the AKP government, which has enjoyed popular support for the last three-and-a-half years.

With 70 percent of the world's total output, Turkey is the largest hazelnut producer. The vast majority of production is exported to European Union countries—primarily Germany, Italy, France and Belgium. Hazelnut production is concentrated along the Black Sea coast, and the number of growers is estimated to be as many as 400,000. They are generally small land owners for whom hazelnut production is the primary means of subsistence.

The protest was not unexpected. Tension has been building up over several months. It reached its peak last month when Turkey's Hazelnut Growers Union (Fiskobirlik), which has more than 230,000 members, announced that, due to its financial crisis, it would be unable to set a wholesale price for this year's production or buy hazelnuts from farmers.

The austerity policies backed by the International Monetary Fund (IMF) are responsible for this acute crisis. Subsidies to sector unions and cooperatives, including Fiskobirlik, were phased out in 2003 as part of the IMF-backed "stability" programme. Since then, the cooperative, which was established in 1938 to support the development of hazelnut production and establish stability in the sector, has been facing an escalating crisis.

Clashes between Fiskobirlik management and the government over hazelnut policy have recently become public. In January, Fiskobirlik delegates rejected the government's candidate for leadership of the cooperative. In June, Prime Minister Erdogan gave a speech in Ordu and told protesters in the crowd that the

government would not allocate resources to support Fiskobirlik, saying the farmers should "go and knock on Fiskobirlik's door."

This statement dealt a further blow to hazelnut prices, which had fallen to around 2.5 Turkish lira (US\$1.68) per kilo from last year's level of 7 Turkish lira (US\$4.70).

This means an enormous loss of income for hazelnut producers and handsome profits for exporters, including Zapsu. Even AKP's deputy chairman, Nurettin Canikli, recently accused Zapsu of acting like a hazelnut speculator, suggesting that the protests of producers have already started to create cracks within the governing party.

The government has dealt such a heavy blow to hazelnut prices that Fiskobirlik is on the verge of bankruptcy. Parallel to the enormous fall in wholesale prices, the market value of Fiskobirlik's hazelnut stocks plummeted dramatically.

According to news reports, the cooperative's stocks are worth 125 million Turkish lira (YTL), while its short-term debt has reached 135 million YTL. Commercial banks are refusing to give fresh loans to Fiskobirlik, and the cooperative hasn't paid hazelnut producers for the last 11 months.

Farmers' protests are not limited to the hazelnut sector. On August 15, thousands of grape producers organised a demonstration in the province of Manisa, located in the Aegean region of western Turkey, to protest against the government's agricultural policy. Protesters chanted slogans against the AKP government, the IMF and the World Bank.

Adnan Cobanoglu, the president of the Grape Producers Union (Uzum-Sen), accused the government of "commercialising everything in the interests of big food companies." He said: "We all saw what happened to hazelnut producers. They couldn't manage to defend hazelnut producers, although we are the biggest hazelnut producer in the world. Now they want to play the same trick on us."

The protests of the hazelnut and grape producers are the product of an agrarian crisis that has been developing over decades. In Turkey, the agricultural and livestock industry is large and quite diverse. It accounts for about 16 percent of the gross domestic product, 20 percent of exports and 34 percent of the labour force. Most of the industry is based on small farms. According to estimates, the total number of agricultural enterprises or units is more than 3 million.

These family enterprises are technically backward. Efficiency is poor, and they have serious problems in regard to the production supply-chain and logistics, which play a decisive role in the age of globalisation. As a result of this backwardness, annual growth rates vary considerably due to meteorological and other external

factors.

The main crop of Turkish farmers is wheat. This meets the country's own needs, although labour productivity is still low. Turkey exports dried fruits, tobacco and hazelnuts. Traditionally, Turkey's foreign trade in agricultural products has been in surplus, but for the last five to six years, deficits have been recorded.

The Kemalist state traditionally supported agriculture through a series of measures, including irrigation, seed and fertiliser subsidies, cheap state bank loans to farmers, direct purchases of agricultural produce by state enterprises, price support to producers selling their output on the free market, and financial support to producer cooperatives for cotton, olives, hazelnuts and other crops.

With the military coup of 1980, market deregulation and liberalisation started to erode the small- and medium-scale farmer's ability to compete and survive in the capitalist world market. Since then, successive governments—both right-wing and so-called “left-wing,” including the AKP government—have faithfully continued the liberalisation agenda. This has created widespread disillusionment, shock, anxiety and tension in the rural areas of Turkey.

For decades, small farmers have been loyal supporters of right-wing bourgeois parties and a breeding ground for reactionary ideologies. Before the 1980 military coup, they gave their support to the Justice Party (AP) of Süleyman Demirel. The Justice Party used agricultural support policies to garner votes, accompanied by Islamic and anti-communist propaganda.

After the coup, farmers shifted their allegiance to the Motherland Party (ANAP) of Turgut Özal, and then divided between ANAP, the True Path Party (DYP—AP's successor) and the Islamist Welfare Party (RP) of Necmettin Erbakan. In the last general election, most of them voted for Erdogan's AKP. Now they are shocked and very angry.

Rural “transformation” has accelerated since the late 1990s. Under the supervision of the IMF and the World Bank, Turkey reduced subsidies and lowered tariff barriers for agricultural products. When the 2001 economic crisis erupted, this turned into “shock therapy.” Even in Mexico, where the IMF and the World Bank implemented the same ambitious and brutal policies in early 1980s, the repercussions were not so drastic as in Turkey.

According to a World Bank report, by 2002 the cuts in agricultural subsidies had reduced the cost of agricultural transfers by more than 2.3 percent of the gross domestic product. “By international standards the magnitude of this fiscal adjustment from agriculture (agricultural transfers were cut by over two-thirds, or \$4.3 billion) and its quality (since the adjustment squarely focused on subsidies rather than investments) are impressive,” the World Bank notes.

The demands put forward by the European Union are identical to those of the IMF and the World Bank. Such measures, says the World Bank report, “are also the fundamental elements needed to prepare Turkey's rural sector adequately for the challenges of the coming years as the process of accession to the European Union accelerates.”

There is no doubt that Turkish agriculture badly needs modernisation. But capitalist “modernisation,” shaped according

to the needs of transnational corporations, will bring only social devastation and poverty.

“Between 1999 and 2002, agricultural income fell by 16 percent (\$2.7 billion), while agricultural output declined by only 4 percent,” according to the World Bank report. “In aggregate terms,” the report continues, “Turkish farmers suffered an estimated net income loss of \$1.45 billion between 1999 and 2002.”

The consequences for the cattle industry have been especially disastrous. The numbers of cattle, sheep and goats almost halved in the 1980s and early 1990s.

Today in Turkey, much meat and dairy production and trade remain in the informal sector. There are also a few modern farms with large herds. Dairy farmers sell their output through informal, local channels or to dairy plants, including some large ones with national distribution channels. Almost all of the assets of state enterprises involved in meat and milk processing and fodder production have been either privatised or closed down since 1986.

The established political parties have no answer to this crisis in agriculture.

Left-Kemalists are trying to present it as a conspiracy against Kemalism. The solution, they maintain, is to restore the old model under the control of honest Kemalists. According to the traditional bourgeois parties, it is simply a matter of incorrect policies on the part of the government.

While petty-bourgeois left-wing tendencies and Stalinists condemn and criticise capitalism, transnational companies, the IMF, the World Bank and the World Trade Organisation, as well as the AKP government, their solution is not very different from that of the left-Kemalists—i.e., restoring the old regime and adopting a nationalist response to Turkey's agricultural crisis. They are prepared to support protests organised by the farmers, but they have little to offer in the way of an alternative perspective.



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