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#### RESEARCH ARTICLE

Cooperatives

## The Paradoxical Structure of Turkish Agricultural Cooperatives

Türk Tarım Kooperatiflerinin Paradoksal Yapısı

#### **ABSTRACT**

The economic growth models implemented by humanity to meet their endless needs at the expense of disrupting the ecological and social balance have brought existing resources to the point of exhaustion. Therefore, a plan needs to be made so that we can look to the future with hope again. It is not a coincidence that the search for a new planning in the new world order led us to cooperatives. Because it is indisputable that a new construction process for all humanity can only be achieved through a system based on cooperation, solidarity and trust. Despite the large number of agricultural cooperatives in our country, they still cannot show the success expected from them. In addition to the existing problems of the agricultural supply market, there are also some problems arising from legislation, organization and financing. The aim of this study is, first of all, to determine what needs to be done before starting the process of establishing a cooperative in order to implement cooperatives correctly and effectively in our country, to determine a road map for agricultural producers who have entered the path of cooperatives, and to offer solutions to the current problems of agricultural cooperatives.

**Keywords:** Agricultural Sector, Producers, Organization, Cooperatives, Economic Development. **ÖZET** 

İnsanlığın sonsuz ihtiyaçlarını karşılamak için ekolojik ve sosyal dengeyi bozma pahasına uyguladığı ekonomik büyüme modelleri, mevcut kaynakları tükenme noktasına getirmiştir. Dolayısıyla geleceğe yeniden umutla bakabileceğimiz bir planlamanın yapılması gerekmektedir. Yeni dünya düzeni içinde yeni bir planlama arayışının yolumuzu kooperatiflere çıkarması tesadüfi değildir. Çünkü tüm insanlık için yeni bir inşa sürecinin ancak iş birliği, dayanışma ve güven temeline oturmuş bir sistem aracılığı ile gerçekleştirilebileceği tartışmasızdır. Ülkemizde tarım kooperatifleri çok sayıda olmasına rağmen hala kendilerinden beklenen başarıyı gösterememektedirler. Tarımsal tedarik piyasasında mevcut sorunların yanı sıra mevzuat, organizasyon ve finansmandan kaynaklanan bazı sorunlar da bulunmaktadır. Bu çalışmada amaç öncelikle ülkemizde kooperatifleşmenin doğru ve etkin şekilde hayata geçirilebilmesi için kooperatif kurma sürecine başlamadan önce yapılması gerekenlerin tespit edilmesi, kooperatifleşme yoluna giren tarımsal üreticiler için bir yol haritasının belirlenmesi ve tarım kooperatiflerinin mevcut sorunlarına çözüm önerileri sunmaktır.

Anahtar Kelimeler: Tarım Sektörü, Üreticiler, Örgütlenme, Kooperatifler, Ekonomik Kalkınma.

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### INTRODUCTION

As a social being, humans have developed various cooperation and cooperation models due to the necessity of living together. These models include joint-stock companies that involve the use of production factors and especially capital in line with economic goals cooperatives that come together for economic and social purposes, and associations that have a wider range of partnerships that include individuals and institutions working for social goals. can be expressed(Paksoy,2024).

The fact that a significant portion of the population in Turkey lives in rural areas reveals how important it is to organize in the field of agriculture and therefore the need to raise the awareness of farmers to raise awareness about the organization. The development levels of countries are determined not by their natural resource reserves but by the correct economic strategy they follow (Tiffin & Irz.2006).

When we consider agricultural organizations within these strategies, the importance and necessity of organizations become clearer. If we were to systematize, it can be said that there is a directly proportional relationship between development and the agricultural sector and therefore the level of organization. For this reason, agricultural organization policies should also be carefully considered when examining the development process of the agricultural sector (Tathdil et al, 2009).

Although the first cooperative movement started in England in 1844, these first cooperative initiatives in Europe were based on the Ahi principles. In our country, which has a history of more than 150 years in cooperatives, there are currently 12,501 cooperatives with approximately 3.6 million members in the agricultural field (Ministry of Agriculture and Forestry, 2023). Despite the large number of cooperatives and their members, there is no effective and efficient structure for agricultural organizations. According to the "World Cooperative Monitor" report, in which the world's 300 largest cooperatives are shared annually by the International Cooperative Union (ICA), the first two places in 2022 were the France and Japan cooperatives. The first is the Grupe Credit Agricole in France, and the second is the ZEN\_NOH in Japan (Monitor,2022). The success of these cooperatives is hidden in their structures

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built on education, social activity, and trust. These cooperatives, which support the development of their members by regularly training them both before and after the establishment of the cooperative, do not neglect social activities(Harimaya& Kagitani, 2022). The success they have achieved has contributed to their integration with society by being sensitive to social activities in their region and to the acceptance of the cooperative by society and thus to the development of their sense of belonging (Bijman&Illiopoulos, 2014). As a result, with the sense of trust developed thanks to the solidarity and cooperation created, cooperatives have achieved successful activities in the national and international arenas. In successful cooperative practices around the world, cooperatives with highly educated members are more successful than are those with less educated members. One of the main reasons why the success of agricultural cooperatives in our country is not at the expected level is insufficient education. Moreover, the high age ratio in these cooperatives makes it difficult to provide training to members and prevents training from being effective (Paksoy, 2023a). Although cooperative training studies for members started in 2023, with training for agricultural cooperative managers being made compulsory in Turkey, these studies need to be disseminated. In addition, to realize the importance of agriculture and organization in agriculture and to shape the awareness of organization in cooperatives to be formed on solid foundations, education must be systematically sustained, with courses to be included in the curriculum from primary school to university. In countries such as ours, it is very important to create a fund (education fund) so that these educational activities become obligatory rather than voluntary and financed and to ensure continuity by guaranteeing continuity through legislation. While the training provided in cooperatives enables members to act with organizational awareness, participation in social activities transforms the cooperative from an economic company that only makes money into a versatile organization that contributes to its region. It is seen that agricultural cooperatives in England, Germany and Japan, which are very successful in cooperatives, try to raise awareness about cooperatives in the society as a whole and to increase the awareness of belonging and responsibility in the partners by participating in social activitie (Ingersent et al,1998). For example, Suma "Wholefoods Cooperative" in England contributes to the development and continuation of the cooperative by planting trees to improve environmental awareness, school trips to arouse interest in agriculture at a young age, healthy nutrition programs and internship opportunities it provides(Development Agency, 2018). Another example is the Zennoh cooperative in Japan, which was selected as the most successful agricultural cooperative in the world in terms of turnover in 2022. As a social responsibility activity, the cooperative sponsors sports tournaments with the aim of helping young people love sports; on the other hand, it also promotes its products in the tournaments. It also encourages the provision of support to educational projects organized to protect biodiversity, the introduction of young people to the land and the encouragement of farming (Zennoh, 2022). In this way, they carry out a new and different format of cooperatives, which moves cooperatives from being organizations that focus only on economic gain to trying to ensure mutual trust in society and giving importance to social activities. As a result, in cooperatives that act with social responsibility awareness, trust in the cooperative increases, and the sense of belonging is strengthened (Hansen et al, 2002). The concept of trust is another fundamental factor that must be emphasized for cooperatives to achieve their goals. Trust, an abstract concept, is a psychological bias of producers and consumers that is difficult to detect in the present. For this reason, after all misunderstood concepts and misperceptions about cooperatives are corrected and missing data are missing, the process of transforming the perception of partial trust into full trust should be left to time. Therefore, the main goal should be to take the necessary precautions and training and construct a correct road map so that agricultural cooperatives in our country can be established on solid foundations at the establishment stage.

# MISPERING ABOUT COOPERATIVES AND THE STRATEGIC PLANNING PROCESS

The word cooperative was born from the Latin word "Cooperatio", which means cooperation. A cooperative can be defined as an initiative where people who face the same difficulties come together freely and form a business with the aim of meeting economic and social needs. Another definition is "A cooperative is a business formed by individuals acting on a voluntary basis with the aim of creating a balanced distribution by eliminating profit or loss" (Waelti, 1990).

To properly implement cooperatives as a type of organization, misunderstood concepts, and misperceptions about cooperatives in our country must be corrected, and missing points must be addressed.

- ✓ The first of these is the perception that cooperatives are an organ of the state. Supporting cooperatives by the state and sometimes keeping their development under control may have caused such a perception.
- ✓ The second is the confusion of cooperatives with associations and producer unions. One of the reasons why the cooperative process cannot be managed correctly and effectively in our country is that cooperatives are accepted as a field of competition focused only on maximizing profits and that everything is permissible in this regard. However, cooperatives are structures with strong economic and social aspects that aim at minimizing costs. While its strong social aspect causes it to be confused with associations, its aim to improve the individual's economy



causes it to be confused with producer associations. Since associations do not have a purpose such as profit sharing, they differ sharply from cooperatives in terms of their purpose. In addition, since cooperatives are economic enterprises, there is no economic enterprise affiliated with the cooperative, as is the case with associations. Another concept that is confused with each other is producer associations and cooperatives. In many articles of the Cooperatives Law and the Turkish Commercial Code, it is clearly stated that the legal status of producer associations is associated. Cooperatives are classified and defined as "partnerships" in Article 1 of the Cooperatives Law (KK) No. 1163 (Cooperatives Law, 1965). Cooperatives are listed among the types of commercial companies (partnerships) in Article 124 of the Turkish Commercial Code (TTK) No. 6102. (Turkish Commercial Code, 1956). Since cooperatives are partnerships with a strong social aspect, they are often confused with associations due to their fields of activity; a cooperative can be established where an association is established. The most distinctive feature that distinguishes cooperatives from associations is purpose. "The purpose of cooperatives is to improve the economy of the individual. The development of the economy is wide ranging and multifaceted. Associations, on the other hand, neither have a commercial purpose of sharing profits nor do they aim to make a profit. "The two organizations differ from each other in terms of their legal structures." It is undisputed that cooperatives and their unions are "types of commercial companies" within the framework of the reference in the 98th article of the Turkish Code of Commerce as "For matters not stated otherwise in this law, the provisions of the Joint Stock Companies in the Turkish Commercial Code apply". Again, in Agricultural Producer Unions Law No. 5200, it is stated that in cases where there is no provision, the relevant provisions of the Associations Law are applied, and it is emphasized that the legal status of producer unions is associations and that cooperatives and cooperative unions are commercial companies "(Agricultural Producer Unions Law, 2004).

- ✓ The third perception that needs to be corrected is the mistake of seeing the solidarity partnership that exists within the cooperative as a competitive race since our education system is based on constant competition from the first step to the last stage. Ultimately, since cooperative formation based solely on competition cannot produce the desired results, cooperatives that are established quickly and unconsciously enter the classification process at the same speed.
- ✓ Fourth, cooperatives are seen as structures that can be easily implemented by anyone, and education is perceived as unnecessary. In our country, because agriculture is mostly passed down from father to son, the education aspect of cooperatives has been neglected. For a correct, effective, and sustainable cooperative, education should be a basic principle that starts before the cooperative is established and continues throughout the process. Otherwise, a structure without education will remain barren, and the system will automatically lose its effectiveness. Members who are not educated in the constantly developing and changing economic and social order will not be able to follow innovations, so the cooperative will not be able to aim for the future.

In our age where resources are limited and competition is increasing, we are in danger of depleting resources. Therefore, in order to obtain the highest efficiency from available resources for individuals, companies and countries, the current situation must be analyzed correctly and the appropriate targets must be focused on. At this point, the concept of performance comes to the fore. Performance is a future-oriented evaluation criterion. The purpose of this assessment is to identify strong and weak points and strengthen areas that need improvement (Pınar&Paksoy, 2023). In this context, agricultural producers who have entered the path of cooperative formation should prepare a strategic plan that will be a road map indicating their current situation and future goals in order to show the correct performance to achieve the highest efficiency (Brunori et al, 2020). Strategic planning is a 4-factor action plan consisting of management, the environment, specialization, and financing. Management, which is the first stage of strategic planning, determines the cooperative vision that allows a cooperative to be managed correctly; it consists of the stages of planning goals and objectives and determining the necessary budget to achieve these goals. At this point, it is useful to emphasize once again the necessity and importance of education for cooperative members. Providing consultancy services to cooperatives while planning will help establish cooperatives more accurately and obtain more effective results. The second stage of strategic planning is to provide the necessary environment for the cooperative to act in line with the determined goals. This includes the necessary legislation, cooperation, auditing, and awarenessraising activities. After cooperatives carry out their planning and analysis studies, they must also develop the solidarity and cooperation that form the basis of the organization. The spirit of working together is a very important factor in establishing a sense of belonging to a cooperative (Ahn&Davis,2020). Since the number of active members in cooperatives is limited, board members are effective at making general assembly decisions. This situation causes cooperatives to face situations such as their future depending on people and resistance to change. To eliminate this negative attitude, it is necessary to include subjects such as teamwork, culture of belonging, leadership characteristics and self-evaluation in educational activities and explain them both theoretically and practically through cooperative operating models. Providing such training will also make it easier to audit the decisions made in the cooperative. Individuals who gain the culture of working together with team spirit in cooperatives, which are an organization of





solidarity and cooperation, will be able to gain awareness to easily carry out internal audits within the cooperative. In addition, in this way, it can be prevented that the cooperative is shaped in line with the political views of the people involved in cooperative management; therefore, cooperatives are not used as tools for social polarization. The third stage of strategic planning is specialization. Specialization: consists of training professional partners who are open to innovations and developments in their field, promoting the cooperative and its products, marketing the agricultural products obtained, and accounting activities to carry out auditing activities transparently (Llamas&Jomo, 2018). It should also be possible to make the prepared accounting reports accessible to partners and, when necessary, all stakeholders. Today, the continuity of the KOBBİS (Ministry of Commerce Cooperative Information System) application, which is used as a tool to make the financial reports of cooperatives accessible, has not been ensured. In this context, the necessity of using digital tools also highlights the need for professional human resources from cooperatives. To have human resources that can keep up with innovations and change, the use of digital tools should also be included in the cooperative education curriculum. The last stage of strategic planning is the financing stage, which is highly important for ensuring the sustainability of cooperatives. Any resource development proposal should be carefully evaluated at the financing stage, where it is attempted to increase equity resources through transfer from partnership shares and alternative resource development. To increase creativity and thinking skills in developing new financial resources, the cooperative education curriculum should include content that includes examples of successful practices. Once strategic planning is carried out correctly, we can prepare to witness what the cooperative system can do.

#### SOLUTION SUGGESTIONS FOR THE PROBLEMS OF AGRICULTURAL COOPERATIVES

The problems of the agricultural sector, which tries to meet the nutritional needs of people by ensuring upply security on the one hand and the industrial raw material/input needs of the industry on the other, have increased exponentially in the last twenty years. Cooperatives supported and diversified to solve problems have also contributed to the creation of new additional problems. It is possible to collect the problems experienced by agricultural cooperatives in Turkey under the headings, namely, the high average age of agricultural producers, problems related to education, low agricultural production area (70 decares), problems regarding the legislation of cooperatives and cooperative-like organizations, auditing problems and financing problems (Alagöz&Paksoy,2023a). If these problems are explained together with solution suggestions, they will make a positive contribution to the restructuring process of agricultural cooperatives. The problems identified in this context and the solution suggestions offered for them are as follows:

The advanced age of cooperative members prevents them from changing the traditional mode of production in the agricultural production process or even the traditional perspective on cooperatives. This situation paves the way for resistance to changes and innovations in both agricultural production and the cooperative process. Educational activities carried out to eliminate this resistance also fail. This average age needs to be decreased. In addition to their experience and experiences, young generations of agricultural producers are open to innovation and change, can easily adapt, and have a high ability to learn and use new technologies, helping to increase the effectiveness and efficiency required for the success of both agricultural production and cooperatives. For this purpose, the practices of existing young farmers need to be activated by providing more incentives and support.

"Education" in cooperatives is important not only for basic issues such as legislation, organization and financing related to the cooperative but also for producers to know the products they produce and the country's economy, to predict future expectations, to participate in social life and to follow developments in the world. Therefore, for the cooperative system to be successful, there must be highly educated cooperative members who are open to change and innovation. Therefore, it is necessary to develop long-term strategic planning and implement a plan that includes associate and bachelor's degree graduates, if they are at least high school graduates in the field of agricultural production (Tortia et al,2013). Until this transition process is achieved, all unit cooperatives should be obliged to employ agricultural engineers, veterinarians, sales/marketing specialists or finance specialists in accordance with their fields of activity and purpose.

Another problem is that although cooperatives should be based on cost minimization, the agricultural cooperative members who participated in the field study had a small agricultural production area of 70 decares on average. When we look at the countries in the European Union and the world where successful cooperative practices have been implemented, the average agricultural land size is quite large (Pingali, 2007). For example, the average land size in England is 860 decares, and the average land size in France is 521 decares (Oğuz, 2021). For this reason, agricultural land consolidation, which was partially implemented in the past but could not be completed, needs to be included in the process more effectively and quickly. In addition, granting the right to use lands that are agricultural land but owned by the treasury and national real estate to educated young farmers, provided that the ownership is in the state and that they engage in agricultural production, will increase both agricultural production and the average agricultural





land size and will help to reduce the average age of cooperative membership. This new situation will contribute to cost minimization and the success expected from cooperatives. It will even pave the way for discussion on whether a certain average land size requirement should be imposed to become a member of the cooperative.

While there are 2.1 million agricultural producers registered in the Farmer Registration System in Turkey, the fact that the total number of members in cooperatives is 3.6 million is another problem that needs to be solved in the sector. To eliminate this problem, an agricultural database should be created.

The biggest problem within the Turkish agricultural organization is related to legislation. Most importantly, agricultural organizations operate under different laws. Another problem is that although agricultural organizations have similar purposes, they are called by different names. Although cooperatives were originally subject to Cooperatives Law No. 1163, they are subject to Agricultural Credit Cooperatives and Unions Law No. 1581 and Law No. 4572 on Agricultural Sales Cooperatives and Unions for issues not included in this law, causing confusion as to which law the cooperatives operate under. Especially in their activities outside the organization, the fact that they are subject to laws such as Commercial Law, Associations Law, and Tax Law and that cooperative-like organizations are also subject to different laws causes an increase in legislative confusion. In addition, the fact that these agricultural organizations operate under the supervision of two different ministries, namely, the Ministry of Commerce and the Ministry of Agriculture and Forestry, prevents these activities from being carried out effectively and quickly and leads to the emergence of confusion among the ministries. (Paksoy&Alagöz,2023a). Another problem we encounter regarding legislation is that, as we mentioned above, the legal status of cooperatives and producer associations are defined differently in different laws. Namely, while it is stated that cooperatives and their parent unions are companies in the Turkish Commercial Code and the Turkish Commercial Code, producer unions have been accepted as associations by referring to the Law on Associations for cases where no explanation has been made according to the Producer Associations Law.

To eliminate the complexity of legislation, lobbying efforts should be carried out, and legislation should be reevaluated. Legislative change and the need to gather legislation under one roof were mentioned. Although it was mentioned in the 1st Agricultural Council in 1997 and the Agricultural Strategic Action Plan in 2012, the problems caused by the disorganization of legislation continue because it could not be implemented. Regarding legislation changes, the legislation should be combined under one roof with coordinated work in solidarity with both lawyers and the upper unions of the cooperatives. In this way, cooperatives, and cooperative-like organizations under different names, although their aims are similar within the agricultural organization pattern, will be managed with a single legislation and a single law under the umbrella of Cooperatives Law No. 1163. This approach will eliminate the disorganization of cooperatives and cooperative-like organizations and allow them to be gathered under a single name. Gathering the legislation under a single roof and carrying out its implementation through a single ministry such as the Ministry of Agriculture and Forestry, the Ministry of Commerce or the Ministry of Cooperatives will reduce bureaucratic obstacles and time loss for cooperatives and contribute to further increasing their effectiveness. Linking cooperatives to a single ministry will also eliminate the confusion of authority between ministries. As we mentioned before, the fact that cooperatives work under a single ministry, which eliminates the confusion of single legislation and authority, will also allow the legal status of cooperatives and producer unions to be clarified. In addition, although the basic principles of cooperatives have been clearly stated, it has been determined in the theoretical literature and in many units' cooperative observations that cooperatives voluntarily refrain from operating in a way that fulfils these basic principles. Therefore, in cooperative legislation, it is obligatory to carry out a minimum level of activities according to the principles of education, training, and information and responsibility for society. It should be mandatory for unit cooperatives serving the same field of activity and the same purpose to come together (at least 7-unit cooperatives) and form regional unions. These regional unions should be gathered in a single central union. For example, 7 plant production unit cooperatives will come together to form a plant production regional union, and a legislative arrangement should be established to ensure that all plant production regional unions can be gathered under one roof in the plant production central union.

When we look at the organizational process of cooperatives in Turkey in general, the organizational structures are primarily unit cooperatives, regional unions, central unions, and top organizations. However, there is no obligation for unit cooperatives to form a regional union under cooperative legislation. If a regional union is to be formed, the prerequisite for this is that 7 units of cooperatives come together. However, unit cooperatives have difficulty collecting the number specified in the law and forming a regional union. On the other hand, in practice, the fact that cooperatives must be affiliated with a regional union is a prerequisite for benefiting from some of the incentives and support provided indirectly makes it necessary to form a regional union or to be included in any regional union. This situation causes unit cooperatives to become members of regional unions formed by cooperatives with different purposes and different areas of activity. This organization causes new problems within the system. While the Turkish



National Cooperatives Union accepts the membership of both regional and central unions, it is a contradiction to require the formation of a regional union for central union membership. This situation must be resolved urgently. While regional unions formed by unit cooperatives with different purposes and different areas of activity can benefit from incentives and support, they pave the way for the emergence of many new problems. The most important reason for these new problems is that they have paved the way for some unit cooperative managers to act with populist approaches. This type of behavior slows down the process of the unit cooperative forming a regional cooperative. In addition, this type of unit cooperative manager prevents the cooperative from working effectively. For example, it causes unit cooperative management to be left in the hands of managers and accountants. If a manager or accountant is not provided during the establishment of the cooperative, the cooperative is left to its fate. Although the upper organization has been freed, the fact that there are tax and fee exemptions and provisions encouraging organization in the cooperative law makes it necessary to redo the benefit-loss analysis for cooperatives. Another problem we face is that although there is a free entry principle in cooperatives, it is necessary to be a member of the upper union to benefit from some rights, such as exemption. This situation violates this principle by turning membership from free to compulsory. Other problems related to organizations include the following: Organizational pollution caused by the existence of multiple cooperatives close to each other or even operating for the same purpose makes the system cumbersome. An effective internal audit cannot be established because agricultural cooperatives are established by people with a high average age and low education level. There is a general audit problem in cooperatives, as external auditing cannot be effective due to the lack of resources and expert personnel in central and regional unions. Cooperatives are not adequately represented within higher organizations. Agricultural cooperatives cannot cooperate with other cooperatives. Agricultural Sales Cooperatives and Agricultural Credit Cooperatives do not fulfil their establishment purposes. Cooperatives are not aware of the innovations and changes in the market regarding marketing on paper, making a liquidation process inevitable. In addition, due to the lack of quantity and quality of raw material produced, products lose processability due to carelessness in the harvest of products, the fact that a standard has not been determined for the quality of products, the products being sold by pouring them without packaging, the products not being transported under appropriate storage conditions, the high number of intermediaries in the marketing chain, etc., are problems. Creating a new and simple agricultural cooperative organization pattern to solve problems related to the organizational structure will contribute to the restructuring process of agricultural cooperatives. In this way, it will be possible to eliminate the complexity and disorganization within the Current Agricultural Cooperative Organization Pattern. To eliminate the complexity of the Turkish Cooperative Organization pattern, the organizational pattern should be simplified. For this purpose, within the organizational pattern, agricultural organizations should be reshaped under 4 basic unit cooperatives by updating cooperative-like organizations and different cooperative structures that serve the same purpose. These basic unit cooperatives should consist of the Agricultural Supplier Cooperative, Agricultural Product Product Product Cooperative, Agricultural Product Sales, and Marketing Cooperative, and, ultimately, Agricultural Financing Cooperatives. Supplier cooperatives should be organizations that provide all kinds of inputs needed by agricultural cooperative partners, namely, producer cooperatives and sales and marketing cooperatives, starting from the production process to the sales and marketing of the product. In addition, supplier unit cooperatives should sub organize within themselves as suppliers of plant, animal, aquatic, and forest products. Producer cooperatives: These should be organized under the subheadings of the Plant Product Producer Cooperative, Animal Product Producer Cooperative, Aquaculture Cooperative and Forest Products Cooperative. Sales and marketing cooperatives should enable both producer cooperatives and supplier cooperatives to sell and market the goods and services they produce. In addition, an organizational structure must be established to meet the logistics and storage needs of the goods produced by both suppliers and other agricultural producer cooperatives. Financing cooperatives must meet the financing needs of supplier cooperatives, producer cooperatives, and sales and marketing cooperatives.

# CONCLUSION

Cooperatives, based on mutual aid and cooperation, are considered effective tools for rural development and effective and efficient use of resources, ensuring the continuity of overall development in the agricultural sector and increasing social welfare in developed and developing countries. Cooperatives appear as organizations that provide support to small-scale producers, especially in overcoming problems that they cannot overcome alone, in the process of adapting to the changing and developing agricultural market. After a long period of experience in cooperatives, developed countries, which are aware of their own problems, have managed to establish democratic independent organizations in accordance with their social and cultural structure. In our country, cooperatives, which date back to the 13th century Ahi organization, have maintained their importance with the legal regulations established during the Republic period and state support during the planned development period. However, despite the potential we have brought from our culture, it has not reached the point it deserves today due to the structural problems of the agricultural supply market, difficulties in adapting to modern agricultural markets, and problems in many special issues such as legal regulations



(Alagöz&Paksoy,2023b). The aim of this study is to determine what needs to be done before starting the process of establishing a cooperative to implement cooperative formation correctly and effectively in our country and how a road map should be created for agricultural producers who are on the path to cooperative formation. This approach also offers solutions to the current problems of agricultural cooperatives.

First, for agricultural cooperatives to be successful in our country, prejudices and negative images about cooperatives must be eliminated. For this purpose, cooperative partners, cooperative employees and even bureaucrats in this field need to be trained. Thanks to the training, awareness of cooperatives will develop, and members with increased awareness will be able to protect their cooperatives, attend cooperative meetings, and use their right to represent and be represented to the fullest. The education to be provided must be carried out not only within the cooperatives but also through continuous integrity, with the courses to be included in the curriculum ranging from primary education to university. In addition, after being included in the cooperative process, the continuity of training activities should be ensured through agricultural training meetings held at regular intervals to adapt to changing and developing agricultural policies and to follow development. A special fund should be created for these educational activities in cooperatives, and the fund should be used in accordance with its purpose.

The most important problem facing the legislation within agricultural cooperatives is that there is a structure that is guided by three different laws regarding the establishment and operation of cooperatives and operates in relation to two ministries. This disorganization in agricultural cooperatives leads to duality, preventing the common implementation of agricultural policies and leading to the division of resources. For this reason, legislative disorganization should be eliminated by associating it with a single law and a single ministry. The biggest problem in organizations is organizational pollution. To prevent this, a new organizational pattern should be created by rearranging the establishment and membership conditions of the cooperatives and the upper organization conditions. One of the reasons for the pollution in the organizational pattern in our country today is that producers are trying to establish alternative organizations, such as agricultural chambers, associations, and foundations, to cooperatives to find solutions to the problems they face in the agricultural field. However, since it is not possible for these organizations to have a higher organization, they cannot represent the farmers. Moreover, the Chambers of Agriculture, which is a professional organization with a widespread structure and 5 million members, are far from fulfilling their duties and bringing new problems to the system instead of providing solutions to the problems of farmers due to their politicized structure. For this reason, due to the widespread activity of these organizations within the new organizational structure, arrangements should be made to ensure that the chambers of agriculture operate independently and in line with their duties; otherwise, these organizations should be removed from the system. To solve the problems experienced in financing, a "cooperative bank" should be established; this bank will be run with state support for a while but will be transferred to cooperatives in the process(Alagöz & Paksoy, 2023c).

In the study, it was emphasized what path should be followed before cooperatives were established for agricultural cooperatives, whose numbers are increasing daily in Turkey but do not have a qualitatively efficient structure to have an effective structure; then, solutions to the current problems of agricultural cooperatives were presented. The greatest contribution of this study to the literature is that it highlights the necessity of restructuring agricultural cooperatives from a new perspective, not only by emphasizing the current problems but also by offering solution suggestions and, most importantly, by bringing to the agenda the issue of determining the roadmap to be followed in terms of the measures to be taken before the establishment of cooperatives. is that it is.

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