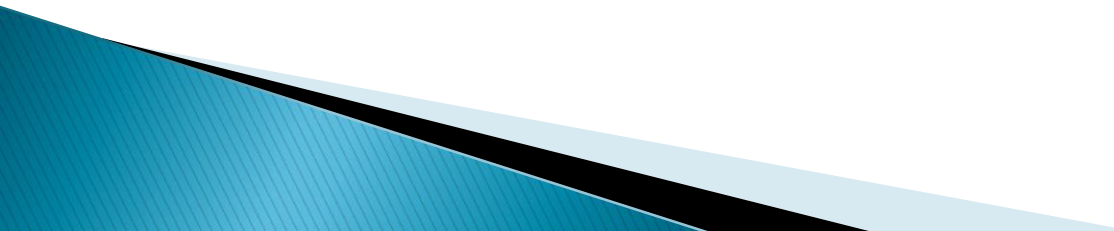


# Co-operative Policy & Law

The Turkish Experience

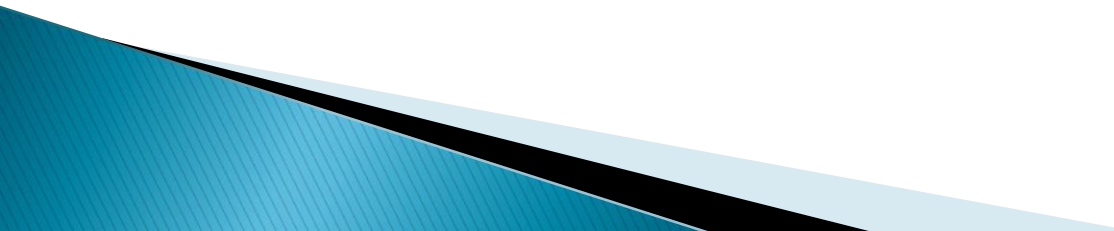
Hüseyin Polat

# Historical Background

- ▶ Initial steps taken in 1935: Laws Nos. 2834 & 2836
  - ▶ The work of the Maurice Colombain of the ILO in 1949 – 1950
  - ▶ Law No. 1163 of 1969
  - ▶ Law No. 1581 of 1972
  - ▶ Law N. 4572 of 2000
  - ▶ Cooperative Strategy and Action Plan 2012
- 

# Co-ops in the Constitution (basis of the Policy)

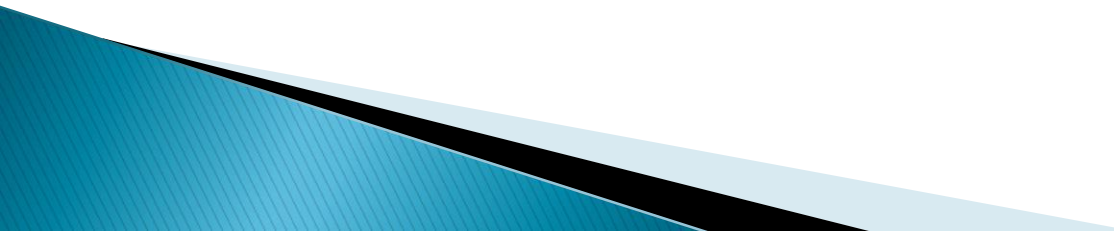
Article 171. The State shall take into account the interests of the national economy and, in the first place, in order to increase the production and to protect the consumers, measures shall be taken to promote cooperatives.



# Cooperative Policy – today

## Strategy paper

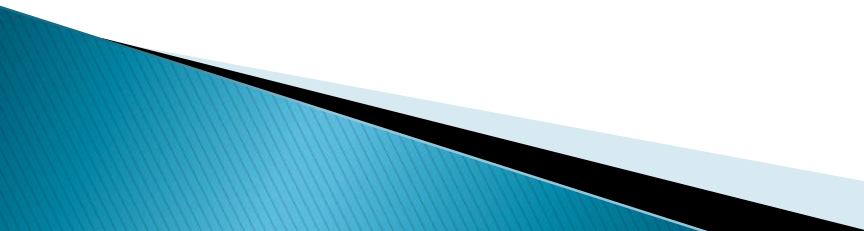
“Ensuring a more convenient atmosphere for the cooperatives, creating a more positive public image regarding the cooperatives, increasing the confidence in the sector, displaying effective and efficient practices, ensuring sustainability, competitiveness and innovation, increasing the contribution of the cooperatives to economic development and fair distribution of income.”



# Two different approaches in Cooperative Policy


1. Policy in-line with the ILO Rec. No. 193: Independent and autonomous cooperatives (Cooperatives established under Law No. 1163)
2. Policy that does not (fully) conform with the ILO Recommend.: State-sponsored cooperatives (Cooperatives established under Laws Nos: 1581 & 4572)

# Compare with cooperative principles (major weaknesses)

- ▶ Open membership: OK in general, membership requirements impose some restrictions (in some co-ops)
  - ▶ Democratic member control: Good governance problems (in some co-ops)
  - ▶ Member economic participation: Distribution of surplus was changed
  - ▶ Autonomy & Independence: some co-ops do not feel that they're independent
- 

# Compare with cooperative principles

## (major weaknesses) 'contd

- ▶ Education, Training and Information: Co-op education and training services not sustainable, no co-op school exists
  - ▶ Cooperation among cooperatives: No restriction, but no incentive or encouragement to promote it
  - ▶ Concern for community: There are some good cases (Panko) but in general lack of understanding of what it means in practice...
- 

# Conclusions

1. Majority of Turkish cooperatives are strong economically. They have some weaknesses in policy and legal spectrum which should be considered for improvement.
  2. Cultural and historical ties between Turkey and Central Asian Countries encourage & necessitate co-operation
  3. Co-operation among Turkish and Central Asian Cooperatives will have benefit for and visible impact on both movements as well as their members.
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