West Bank, Gaza Cooperative Development Proj.
Contract Number ANE-0159-G-SS-6020-00
Marketing Training Consultancy
Len Wooton, Consultant
Agricultural Cooperative Development Int'l.
September 1987

PN-AAY-605
ISN 53023

Consultation Report

MARKETING COMPONENT

September, 1986

Len B. Wooton
Marketing Specialist
Cooperative Development Project

CONTENTS

A. Introduction..... 2

B. Current Situation..... 3

1. Market Operations - Cooperative..... 3

2. Market Facilities..... 7

3. Market Operations - Private Sector..... 7

4. Market Constraints..... 12

C. Market Projections..... 14

1. Agriculture Production - Marketing..... 14

D. Deliverables..... 15

1. Strengthen Cooperative Structure..... 15

2. Implement Cooperative Education and Training... 15

3. Implement Market Structure..... 18

4. Market Options..... 19

a. Domestic - West Bank..... 20
b. Export - Amman Domestic..... 23
c. Export - International..... 25

E. Summary..... 26

F. Addendum: Marketing Seminars

G. Appendix

No. 1 - Cooperative Visitations
No. 2 - Agricultural Products Exported to Jordan
No. 3 - "J.C.O." Organization Charts
No. 4 - Jordan Production and Shipment Data
No. 5 - Israel Data Pertaining to Occupied Territories
No. 6 - Amman Market Data
No. 7 - Marketing Procedures and Transport Services
No. 8 - Cooperative Marketing Union - Diagram

Marketing Component

A. Introduction

A four man team of consultants under contract to Agricultural Cooperative Development International, Washington, D.C. is charged with the responsibility to provide assistance to the Cooperative Development Project being initiated in the Occupied Territories known as the West Bank and Gaza. The consultancy was initiated August 2, 1986, and is due to terminate October 3, 1986. The consultancy report is directed to provide assistance to the permanent team of the Project and A.C.D.I. in the implementation of the Project. The primary objective is to develop a program of training and education to the Palestinian people who are now engaged or who will be engaged in the operation and development of Cooperatives. In achieving this objective it has been necessary to study and evaluate the present conditions and relative development.

This study was divided into the following general components--Cooperative Management and Operations, Cooperative Education and Training, Cooperative Finance and Credit, and Cooperative Marketing. After an appraisal of the present situation the report will identify the opportunities and programs of activity for each of the components that will deliver benefits.

This component of the study is devoted to Cooperative Marketing. In the course of the study it became apparent that all of the subjects are interrelated. Thus there was a need for coordination among the consultants. The success of each component activity is dependent upon the success of the others. It is hoped that the consideration of this joint report will be useful in the program of implementation of the Project.

Significant in the effectiveness of the consultancy team was the assignment of very competent and professional counterparts to each consultant. The counterparts serving the marketing consultant were Ziad Husseini and Omar Daoude. Both of these men served as interpreters, advisors, councilors, expediters, and furnished a wealth of important information. They assisted in making sure information was complete, accurate and portrayed in proper context. It is most encouraging that they will continue advisory to the Project. For cooperative visitations see Appendix 1.

operation. Some of the more active associations are the agricultural marketing cooperatives. In the West Bank area there are seven marketing cooperatives, each serving a local geographic area.

The activities of the Marketing Cooperatives are a real mixed bag. Regardless of their various activities they do no marketing. Their membership consists of farmers, merchants, middlemen, etc. They are essentially an organization created under the auspices of the J.C.O. In fact, their managers are paid by the J.C.O. in some cases and they are advised by a district J.C.O. representative. See Appendix No. 3.

Their main function is to represent the first step in the export of agricultural products into Jordan. They issue shipment permits to Jordan for each grower and sometimes merchants within a geographic area or district--both member and non-member. No product goes into Jordan except by these permits.

Jordan will issue a notice of the total amount of product that can enter from each district in the West Bank, and the dates in which it can enter. The allocation is broken down by each kind of product and variety. The allocation is based upon a percentage of the estimated production of each crop, year by year. The Cooperative must allocate the shipments to each grower based upon this percentage of his estimated production.

At least 60 days prior to harvest the cooperative must visit with each grower and estimate his production by crop and variety. These estimates must be provided and approved by the District Agricultural Officer. The records are maintained for each year by crop and dunum (one dunum = 1/4 acre) and form a basis of data for each marketing season. They need only be updated to reflect changes in dunums, crops planted to each plot of land by kind and variety, and the estimated production. The actual production is inserted after harvest.

As harvest approaches, the grower comes to

through Thursday and only till 11:00 a.m. on Friday. The bridges are closed on Saturday and other holidays as observed. Only rarely will the truck be able to cross on the day of loading. Usually the truck must wait until the following day.

Although the Marketing Cooperatives are not significantly engaged in the actual marketing functions, they are an active and important organization in their area. Functions many of them perform include production loans to members, supply inputs, farm machinery service, nursery and seed stock, land reclamation, local transport and many others.

Marketing of agricultural products within the West Bank, with few exceptions, is not organized. It is based primarily on roadside or streetside sale, the local village markets, and the local market centers in some of the larger municipalities. The markets are served directly by the local farmers. Merchants or cash buyers also function in the market centers of the larger cities. All of the products are sold without benefit of grading or product standardization. Baskets, boxes or plastic crates used in the harvest operation is the standard market container. Most of these are reused a number of times.

No reliable data is available for the amount of West Bank produce sold in the domestic market. The amount of product exported to Jordan, covering a five year period, has been furnished by the Ministry of Occupied Territories. See Appendix No. 2. Only specified crops are permitted to enter Jordan. Of these only 50 to 60% of the total West Bank production of these crops is allowed to enter Jordan. The rest must be absorbed in the West Bank domestic market or go to waste. These crops are primarily bananas, eggplant, tomatoes, grapes, peppers, cucumbers, onions, potatoes, plums, watermelon, squash, olives and olive oil.
It should also be stated that Israel uses the West Bank as a market for their agricultural products, especially meats and other products that are surplus to the capacity of their own markets. These products enter the West Bank freely and without regard to the supply or

to develop market data or intelligence. There is not an effective system of communication in the West Bank, nor is there any commercial system of credit or finance. There is no organized method of maintaining accurate shipping or market pricing or analysis. Israel and Jordan prepare data that is directed to their own use in the marketing function. Some of this data is included in Appendix No. 4, Jordan, and Appendix No. 5, Israel.

Irrespective of the absence of the support of an infrastructure in the West Bank and Gaza, the private sector factors are functioning. This is mainly due to many years of experience by business-minded people who for generations have operated in a land where there is no government and which has been occupied or controlled by other national interests. In fact, many of the principals in the market structure have done very well financially. It must be noted, however, that they have profited at the expense of the individual small farmer.

To continue the present marketing of agricultural products from the West Bank, most of the movement is into Jordan and through Jordan to other Arab States. Most of this business is documented in Appendix No. 4 and Appendix No. 7. Pertinent to the Central Market in Amman and some of the further export operations, the following observations would be in order.

Amman Central Market

Based on visits
Sept. 14 & 15

This market is owned and operated by the municipality of Amman. There is an old section and a newer section, all in the same area. The market serves all of Amman and is essentially the only market in Jordan for fruits, vegetables and miscellaneous farm commodities.

Merchants and wholesalers are leased space in the buildings surrounding a large receiving area where trucks from all over Jordan and the West Bank

handle any operating problems of the market. Each merchant pays all utilities and is required to furnish and maintain his rental office and fruit handling space. The Market pays for yard cleaning and security by contract with the city police and street department. The market is a source of a major income for the City--estimated to be about four million dinars per year, representing its various fees and rentals.

Market Functions in Amman

Amman is a large modern city of one and one half million people. In fact Amman represents about one half the population of Jordan. It is therefore the focal point of the marketing function for all commodities, whether they are to be imported, exported or to be used in the domestic market. Agriculture represents a major business of Amman.

The marketing functions may start in the production areas of Jordan and the Occupied Territories, but at some point in the process, the marketing operation flows through Amman physically and/or financially.

The Central Market is the hub of the marketing process. Merchants, wholesalers, retailers, importers, exporters, farmers will all be represented in the market activity every day. Each of the factors are operating at their level and all of them are seeking a profit on their transactions. The market is somewhat unique in that all of these people are operating in the same area and in a comparatively compatible manner. It does add to the intense activity and excitement of the market.

The Central Market is surrounded by other market activities and the market functions overflow the Central Market. There are essentially two reasons for this. One is to avoid the Central Market costs, and the other is to avoid the congestion. Small farmers use the outside area and make direct sales to retailers or to merchants who are buying to supply their export activities. In fact the major market function outside the Central Market is by exporters. They may be large producers who bring their products to Amman for final grading and packaging before loading it into modern

They also provided a commitment of 250,000 JD for operating capital to cover cash transactions. However, only 20,000 JD of this fund has been employed. The volume of business performed in the market has been as follows:

Fiscal year 1981/82	1,431,000 JD
Fiscal year 1982/83	2,500,000 JD
Fiscal year 1983/84	1,800,000 JD
Fiscal year 1984/85	1,700,000 JD

This equates to about 10 to 12% of the total Central Market business. See Appendix No. 6.

4. Marketing Constraints

Already noted were the constraints on permits to build grading and packing centers and processing facilities in the Occupied Territories. Most of these and many others are well documented in many publications. They apply to every facet and phase of living in an occupied land. While some of these may seek justification as they may apply to national security, in total they take the form of repression and the denial of personal freedoms. They also deny almost any form of free business enterprise that would lead to an acceptable level of economic freedom or opportunity.

It must be pointed out that the Palestinian people find themselves in a land occupied by a hostile military government, but they are directly between two governments that are engaged in a state of war, with no diplomatic relations. The Palestinians have no government and are forbidden to develop any meaningful organization. They find themselves serving as a buffer between two opposing powers--without a voice. Unfortunately both powers are guilty of repressive actions.

There is obviously no way that either country will consider the people or the business operations of the Occupied Territories as having an equal opportunity or free competition. With a mutual distrust of each other the two powers are using the Occupied Territory to impose restrictions on each other. Let us note only those affecting marketing.

First, Jordan restricts all trucks from entry except those that are pre-1967 vintage. The

Finance and Credit Report.

Thus it is that the philosophy or the hope of equal treatment, or free competition, by the Occupied Territories is not to be easy. But if we are to emulate the persistence and tenacity of the Palestinian people, we must keep on trying, talking and hoping.

C. Market Projections

1. Agricultural Production - Marketing

A data base for Jordan and a portion of the West Bank has been obtained. This needs to be carefully expanded to include especially the data for other Arab states. It needs to be supplemented by information on official trade relations and agreements. There is an Economic Community of Arab States, but time did not permit the accumulation of this import-export information. Any in-depth study of production and market projections must include this information.

The general evaluation of production on the basis of inquiry into plantings and production removal would not have much relation to market motivation. The changes would be due to the restriction upon water supply by the Israeli government, the availability of sweet water for bananas, the encroachment of alkali salts into the soils now under production, the continued planting of olives, and the continued land reclamation and planting. Both of the latter are an effort to establish land use and occupancy to resist the encroachment of Israeli settlements.

There is very little in all of this that points a direction to what the future supply of agricultural production will take. In many respects this is unfortunate but does point up the need for an active component of the marketing program to take a careful look at production trends and relate them to the marketing effort.

There is little doubt, however, that a careful study of the market opportunities will require some well managed adjustments in the production of commodities. In fact this will be an ongoing program of adjustment that never ends.

basic concepts of a cooperative philosophy and operation. Any cooperative education effort to date has been directed to the governmental employees, cooperative managers and occasionally to cooperative board chairmen. No approach has been made to the education and training of members.

It is the firm belief that to have an intelligent and disciplined approach to a society/cooperative operation it must be based upon a high level of understanding by all members of the cooperative. Members must be committed to the objectives of the organization. The ultimate strength of any cooperative must be based upon the support of an intelligent, committed and loyal membership. Examine any successful cooperative and this element of membership relations is the basic foundation. The membership elects competent and dedicated directors to represent them by a fully democratic process.

This is cited to emphasize the importance of a program of education and training that will provide all people of the cooperative operation, members, directors and management, with the capability to be successful.

In the interest of education and training with special reference to marketing, the following series of courses should be inserted into the training and schedule of the total project. It is assumed that the directors and management people of each cooperative can offer a combination of 101 and 102 to their members after they have completed the series themselves. CDP can assist with materials and provision of a trainer as needed. The extension of this knowledge to the members is essential, but it can be presented later, even a year later, and continued until there is evidence that the members participating in the marketing program have full knowledge and understanding of the marketing operation.

the market process is determined, create a data base that will reflect the economic viability of the market. Options that can be inserted into these studies will be special functions such as processing, alternate uses, etc. In any case the elements of adapting a product to a specific market target are essential. This should be studied with reference to product quality, product volume, product protection, product identity, and product promotion. (A second section of this course on a more technical basis can be offered for management personnel only.)

3. Implementation of Market Structure

This is a lofty goal. It cannot be achieved except by a gradual process of development. However, it will never be achieved without planning and some specific objectives. There is ample evidence that these goals have been discussed, considered and acted upon (See Appendix No. 8). This information gives encouragement that responsible people are already active in the planning stages of a unified marketing program. This refers specifically to the proposed Cooperative Marketing Union which has been proposed and is awaiting approval of registration. Changes in the By-Laws or the proposed structure of the organization may be in order as the final consideration of its operations is determined.

Whatever the market structure may be, the basic and essential components must be strong local cooperatives. They must have intelligent and well informed members that have a unified concept of major goals:

1) to produce a quality product
2) to be dedicated to the process of gaining a maximum return for that product
3) to recognize that as individuals they cannot approach a maximum return for the product
4) to elect directors that, with their support, will apply their talents and efforts to further the interests of the growers.

marketing program. It is also most difficult to describe the options of a marketing program with any degree of accuracy. Even with the benefit of sophisticated procedures and tools, plus financial resources, the study of market options through a process of discovery, market development, and the procedures of implementation, always contains an element of risk.

Let us look at West Bank agriculture. It has some very positive elements. First, agricultural products are being produced in commercial volume. The products are diversified and are being furnished to a market. The initial quality of the products is good and capable of satisfying consumer demand. Agriculture production is well established, and production practices are modern. People engaged in agriculture are experienced and industrious. With these positive factors many further developments are possible.

While there may be restrictions and deficiencies as noted earlier in the report, there is ample basis for optimism. Market options can be considered in several ways: short term, near term, long term; or domestic, export, etc.

a. Domestic - West Bank

First, consideration should be given to the domestic - West Bank market. It has the possibility of yielding quick benefits and will provide market experience for the cooperatives.

Irrespective of the seasonal burdensome supply of agricultural products in the West Bank, there are opportunities to use the domestic area to market a greater volume of product. There are a number of ways to evaluate this market potential.

First, institute a careful study of the agricultural products entering the West Bank. The study should include every market and production area and cover a period of a full year. This record

questions to be answered:

1) Are all of the products that the consumer needs or wants (kind, quality, packaging, etc.) being offered for sale?

2) Are they being offered at all times when demanded?

Determine why, how and when products enter the West Bank Market. After a careful look at the West Bank market, prepare a list of things that can be employed immediately. It may include the following:

1) If possible, keep your production-product by product - available to the consumer at all times. Example: potatoes, onions, etc., can be stored at reasonable cost and supplied on a demand basis.

2) Do not oversupply the demand (remove surplus by storing).

3) Maintain top quality. Do not force the local market to take low grade products remaining from export shipments.

4) Introduce new products or increas supply of scarce items. It is always less expensive and more direct to promote a product in your local market scene.

5) Engage in a unified effort to promote products and thus to improve the image of West Bank production.

Recognize that West Bank production has very distinct advantages. The products are produced here in the West Bank. Thus there is immediate access to products. They can be fresh and harvested at best quality. Transport cost is reduced. The customers are West Bank people who would be loyal customers if served on a competitive level. West

the market buyers, and government agencies. Choose carefully the relations with the existing market factors. Maintain the cooperative integrity and independence, yet live without major disruption to existing elements in the market. As and when experience and market relations become established and proven, and as the operations demonstrate dependable benefits, it will be time to establish expanded Cooperative operations.

Among these might be considered the formal establishment of

1) a union of marketing cooperatives
2) establishment of packing and grading centers, or a single center
3) adoption of a uniform standard of quality and grade
4) adoption of a more protective package to maintain product quality
5) provision of locations of refrigerated storage
6) establishment of a system of product identity
7) establishment of a presence and facility in the Market Center of Amman.

All of these will be major steps, and each must be undertaken carefully and with confidence that it is market justifiable, economic justifiable and benefit justifiable. If the grower does not participate in these benefits, let it be a red flag.

It should also be noted that all of these ventures into the market functions must be within the realm of proven management capabilities and supported by proven policies of the directors.

At this point it is perhaps pertinent and even important that there is a distinct difference between the functions and responsibilities of DIRECTORS and MANAGEMENT. Directors determine policies and objectives. Management manages the operations with

Now are we prepared to venture into this market. Fortunately, there are some stages of entry. Involvement does not have to be total. With smaller volumes of product, well graded, well packaged, and attractively identified, arrangements can be made with specific market targets. In fact, it is just as important to make a modest beginning in the export market as it is in any market theater.

In this way test product acceptance, test market relations, test the price structure and its profitability, test the competition, test your own capabilities. Only in this way will the market opportunity prove itself.

If all factors are positive, consider the adjustments that will be necessary in the Cooperative organizations to exploit the international market. Again the final answer must be: does it enhance the economic benefit of the producer? Proceed with caution!

E. Summary and Conclusions

This report has been fraught with many complications. At times the logic of a constructive solution to the implementation of a viable marketing component seemed remote indeed. In the final analysis, there were many and compelling factors that salvaged the perspective of a positive attitude.

The most important and compelling is the people, the Palestinians! We cannot ignore or abandon the resilient, persistent attitude of these people or their right to a future.

I suppose the summary and conclusion to this report is contained in the Deliverables section. So much of it depends upon the effectiveness of the Project. Educate--train--add to this a fair amount of support, inspiration, motivation and communication.

For the first time I am using the "I". I suppose it is because "I" feel involved. But

ADDENDUM

Marketing Seminars, September 29 and 30

Subject: Marketing products of cooperative societies within the West Bank.

Participation: Cooperative Marketing Societies of Hebron, Ramallah, Jericho, Nablus, Jenin, Tulkarem, and Qalqiliya. Also

- Beekeepers Society - Jericho
- Handicraft Society - Bethlehem
- Poultry Society - Ramallah
- Olive Press Society - Deir Sharaf
- Livestock Society - Tulkarem
- Olive Press Society - Beit Jala
- Olive Press Society - Tarkumia
- Salfeet Marketing Society - Salfeet
- Nassariyah Livestock Society - Nassariyah

Objective - To discuss:

1) opportunities to increase the market for West Bank cooperative products
2) how will it involve the members of the cooperatives?
3) how to and why establish gender of product quality?
4) what is the specific potential to market products?
5) what can be the marketing strategy?
6) what will be the physical facilities needed?
7) what will be the opportunities to involve and coordinate the participation of all the cooperative societies that produce products for sale?

Results: It was difficult to get the representatives of the marketing cooperatives to comprehend their actual engagement in a market function. One mentioned it was illegal. Most of them did not agree that the private merchant system could be avoided. They also were obsessed with the problems of grading, packing, member involvement, and direct marketing. The restrictions and competitive relations imposed by the occupying authority were often mentioned.

Representatives from the other cooperatives, however, seemed to have a different attitude. All of them are actually engaged in the marketing process, and to a major extent in the West Bank market. Their comments were constructive and greatly helped to develop a positive discussion. Step by step the basic marketing functions were defined and given careful consideration.

In the final analysis, all factors of the West Bank market were considered. Most of the opportunities were recognized. If the market of the West Bank were to be properly developed and served by the cooperatives, it would also provide many advantages to the

cooperatives. This would have the effect of developing a relationship that would become essential as cooperatives extend their marketing program beyond the West Bank.

The "West Bank Experience" in almost all respects would be an essential prerequisite to a continued marketing program. This was emphasized in the text of this report. For further discussion of the West Bank Domestic Market, refer to page 20 of this report.

Appendix No. 1

Technical Assistance to Cooperatives

The schedule of the thirty-nine cooperative visitations attached indicates the scope of my visits. In every instance I was well received. My counterparts, Mr. Ziad Husseini and Mr. Omar Daoude, were familiar with each of their operations, their problems and their successes. In many instances our visits led to conversations about how they might improve their operations, or solve the problems they face. In those instances where we made two or more visits we were able to analyze their operation in detail. This led to some serious consideration of their problems and their opportunities. Hopefully, our discussion led to a broader consideration of their options. Some of these would be to adapt new commodities in their production schedule, better varieties to meet consumer preference or demand, inexpensive storage facilities to extend the market period, product identification to gain consumer recognition, improved grading and packaging to deliver a better product to the buyer and ultimately to the consumer. In some instances suggestions were offered to improve a community image by expanding membership within their capability to serve them properly. If cooperative benefits are proven and properly demonstrated they should be shared.

The cooperative visitations provided a basic understanding of the problems faced by the associations. Many of these are political; some are the result of restrictive regulations. It is not in the purview of this project to enter into these problems. However, the appreciation we gained from the cooperatives by careful consultation confirmed they have many problems over which they have no control. In all instances we were impressed with the resilience and fortitude with which these organizations of farmers adapted to these conditions and still maintained their optimism and their determination to prevail.

Appendix No. 2

AGRICULTURAL PRODUCTS EXPORTED TO JORDAN

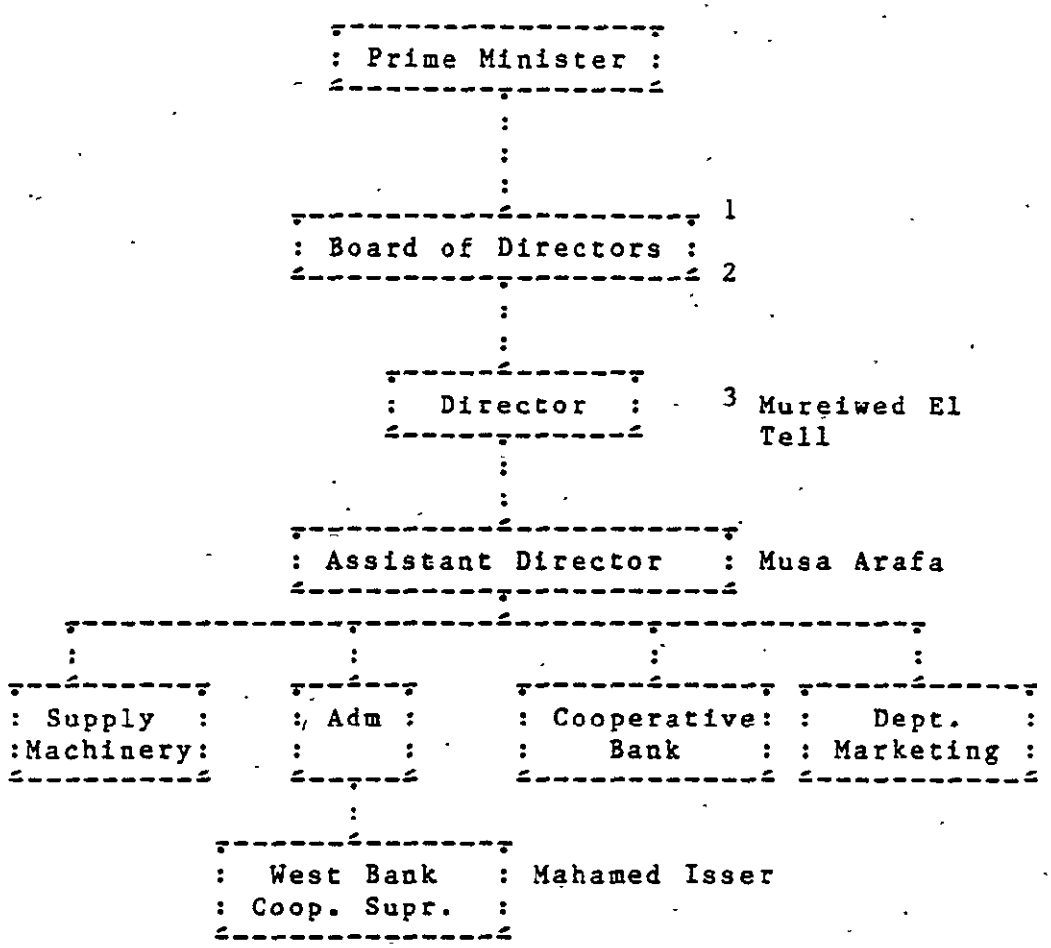
Quantities in Tons

Product	1981	1982	1983	1984	1985	Average
Tomatoes	7270	15170	10717	20152	21705	15003
Eggplants	4739	7106	2278	1706	3311	3828
Potatoes	1611	2512	3868	4966	4380	3467
Cucumbers	2850	2276	465	257	167	1203
Watermelons	12262	16498	30412	39232	40422	27765
Melons	3909	3024	7259	7554	7170	5783
Onions	2776	2755	1468	3911	4578	3098
Others	103	38	13	6	3	33
Total Vegetables	35520	49379	56480	77784	81736	60180
Guava	272	1988	63	224	67	523
Bananas	3393	4288	3868	8263	7396	5442
Saber (cactus pear)	446	382	367	531	539	453
Figs	13	--	26	24	42	26
Grapes	6117	5561	5786	6032	7932	6286
Oranges	29205	25385	19081	20554	18796	22424
Clementines	6055	5518	6384	6853	4060	5974
Mandarins	1118	2077	1548	2229	1856	1766
Grapefruit	2	3	19	48	54	25
Pomelas	1	47	38	61	64	42
Lemons	3203	6036	4596	4300	4668	4561
Total Fruits	39584	39066	31666	34045	29598	34792
Almonds (green)	1395	1006	873	1105	325	941
Peaches	46	7	14	--	13	20
Plums	5277	6202	3149	3705	3929	4452
Apricots	93	119	86	5	26	63
Green plums	112	23	--	137	--	91

Product	1981	1982	1983	1984	1985	Average
Garlic	--	--	--	6	3	5
Olive Oil	2303	7264	2112	4216	212	3221
Olives	1143	2735	948	1408	28	1252
Cheese	816	1376	454	955	558	832
Honey	32	36	41	41	73	37
Almonds	70	101	--	61	94	82
Carob Syrup	1	6	--	13	49	17
Sage	48	--	--	--	--	48
Raisins	5	5	--	--	--	5
Dried figs	3	2	--	37	11	13
Oregano	11	--	--	--	--	11

Appendix No. 3

JORDAN COOPERATIVE ORGANIZATION



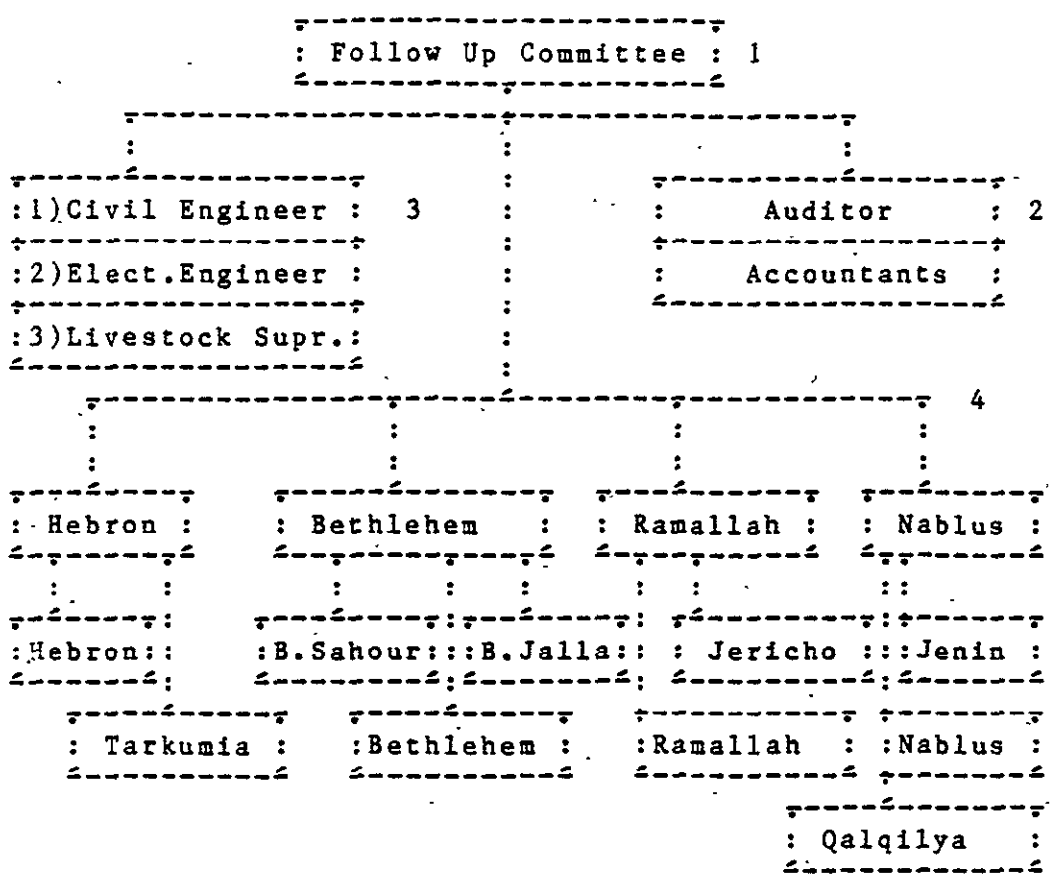
---

[1] 23 board members appointed by Prime Minister

[2] 7 board members from West Bank. All are M.P.is: Z. Younis, T. Faris, E. Khamis, R. Mustafa, B. Husseini

[3] Director appointed by Prime Minister

WEST BANK J.C.O.



1 Followup Committee
Adnan Obeidat - Consultant + Hebron
Abdul Zawati - Nablus
Ziad Husseini - Jerusalem-Ramallah
Hamed Numura - Bethlehem

2 Auditor - Accountants
Ibrahim Sbytan

3 Engineers -
4 Engineers; 1 Livestock Supr.

4 District Directors and Sub District Supervisors
Nablus - Ismail Masoud
Tulkarem-Qalqilya - Muhamed Saleh
Nablus - Ismail Mamoud
Jenin - Hufzi Shadeed
Ramallah - Adel Ansari
Bethlehem - Farouk Muzafar
Hebron-Muhamed Mulhem
Omar Daoude, Asst.
Muhamed Dudeen,
Local Authority

Appendix No. 4

Jordan, Production and Shipment Data, part 1

Balance of Agricultural Products of the East Bank (1981-1985) (Quantity by Ton)

Product	Description	1981	1982	1983	1984	1985
eat	Local prod	59687	29100	115613	24983	62827
eat	Import	428692	382327	343435	465763	387856
eat	Export		1379	954	38080	64176
eat	Consumption	488379	410048	458094	452666	386507
rley	Local prod	18162	7327	34024	4841	19681
rley	Import	9796	69299	17397	179839	74890
rley	Export	0	0	0	0	0
rley	Consumption	27958	76626	51421	184680	94571
ntil	Local prod	6477	2648	8079	1722	4063
ntil	Import	1232	1427	2703	82	585
ntil	Export	3595	0	555	0	0
ntil	Consumption	4114	4075	10227	1804	4648
ick peas	Local prod	1291	929	1526	602	1589
ick peas	Import	6624	6962	9827	8447	10384
ick peas	Export	66	0	0	0	500
ick peas	Comsumption	7849	7891	11353	9049	11473
va beans	Local prod	769	439	1369	233	505
va beans	Import	2609	2957	2532	2717	3161
va beans	Export	51	0	99	62	41
va beans	Consumption	3327	3396	3829	2888	3625

Product	Description	1981	1982	1983	1984	1985
same seed	Local prod	59	32	47	47	121
ame seed	Import	5330	6935	5314	5969	5421
ame seed	Export	0	0	70	29	7
ame seed	Consumption	5389	6967	5291	5987	5535
:n	Local prod	423	129	367	209	353
·n	Import	135130	151541	169974	132149	160394
:n	Export	0	197	0	0	0
:n	Consumption	135553	151473	170341	132358	160747
.atoes	Local prod	341362	375427	408214	354581	412268
matoes	Import	7270	15170	10717	20152	21705
atoes	Export	122099	147909	123038	134012	104494
matoes	Consumption	226513	242688	295893	240721	329479
;plant	Local prod	99321	110018	123942	63671	46232
;plant	Import	4739	7106	2278	1706	3311
;plant	32343	36878	28456	37503	34987	
;plant	Consumption	71717	80246	97764	27874	44556
:chini	Local prod	33972	73842	132096	78692	49525
:chini	Import	0	0	0	0	0
:chini	Export	26545	37050	32570	22045	26308
:chini	Consumption	7427	36792	99526	56647	23217
:umber	Local prod	106179	87454	138194	89141	204748
:umber	Import	2850	2276	465	257	167
:umber	Export	39263	50640	53050	58277	61587
:umber	Consumption	69766	39090	85609	31121	143328
›per	Local prod	13187	15049	32495	27750	27534
per	Import	128	254	0	0	0
›per	Export	9435	12092	17399	20339	21413
per	Consumption	3880	3202	15096	7411	6121

Product	Description	1981	1982	1983	1984	1985
een beans	Local prod	9248	11695	12113	15861	27494
een beans	Import	34	52	0	0	0
een beans	Export	6090	5955	7991	7667	7793
een beans	Consumption	3192	5792	4122	8194	19701
uliflower	Local prod	24290	44585	57285	41271	35408
uliflower	Import	47	64	0	0	33
uliflower	Export	10943	12807	17452	16326	13826
uliflower	Consumption	13394	31842	39833	24943	21615
abbages	Local prod	15355	20646	31567	57459	28910
bbages	Import	19	998	0	0	161
bbages	Export	7528	9047	9445	13400	10060
bbages	Consumption	7846	12597	22122	44059	19011
ions	Local prod	11680	30150	24623	8880	13656
ions	Import	15847	18011	19547	12929	807
ions	West Bank Import	2776	2755	1468	3911	4578
ions	Export	8738	6075	5667	3757	4155
ions	Consumption	21565	44841	39971	21963	22150
otatoes	Local prod	9071	11536	25660	26614	26199
otatoes	Import	38261	39333	25247	20587	11613
tatoes	West Bank Import	1611	2512	3868	4966	4380
tatoes	Export	3159	4833	2439	5741	8690
tatoes	Consumption	45784	48548	52336	46426	33052
atermelon	Local prod	19355	25157	73632	46568	65011
atermelon	Import	10725	5358	2995	1087	434
termelon	West Bank Import	12262	16498	30412	39232	40422
termelon	Export	305	83	2764	5961	8088
termelon	Consumption	42037	46930	104275	80926	97779
elon	Local prod	9335	13100	34038	34660	51641

Product	Description	1981	1982	1983	1984	1985
Melon	Import	85	415	409	329	659
Melon	West Bank Import	3909	3024	7459	7554	7170
Melon	Export	6314	5703	15481	16154	12065
Melon	Consumption	7015	10836	26225	26389	74405
Green fava beans	Local prod	9043	6807	27310	7788	9954
Green fava beans	Import	15	8	3	0	0
Green fava beans	Export	2938	4111	4411	1099	1639
Green fava beans	Consumption	6120	2704	22902	6689	8315
Carrots	Local prod	390	903	178	491	1264
Carrots	Import	3221	2962	3339	3479	3985
Carrots	Export	1586	627	843	305	414
Carrots	Consumption	2025	3238	2674	3665	4835
Garlic	Local prod	152	206	402	1372	735
Garlic	Import	1106	1251	2720	1865	1649
Garlic	West Bank Import	0	0	0	6	3
Garlic	Export	42	25	115	49	0
Garlic	Consumption	1216	1432	3007	3194	2387
Okra	Local prod	3486	2045	1814	2245	3015
Okra	Import	0	0	2170	0	0
Okra	Export	1186	995	10190	825	1524
Okra	Consumption	2300	1050	21500	1420	1491
Apple	Local prod	2121	3930	3132	2621	3035
Apple	Import	27964	37582	41679	31689	37179
Apple	Export	742	1379	2471	2681	675
Apple	Consumption	29343	40133	40	31629	39541
Grapes	Local prod	45911	48664	51881	38742	52637
Grapes	West Bank Import	6117	5561	5786	6032	7932
Grapes	Import	253	103	112		

Product	Description	1981	1982	1983	1984	1985
pes	Export	6345	6001	6270	4883	2016
apes	Consumption	45936	48327	51509	39891	58553
trus fruit	Local prod	86940	126977	123461	95202	158270
trus fruit	West Bank Import	146590	139986	107292	123419	111218
trus fruit	Import	678	790	1022	211	649
trus fruit	Export	126489	140469	109210	120654	137467
trus fruit	Consumption	107720	127284	122565	98178	132670
nana	Local prod	13306	8065	15870	1600	30804
nana	West Bank Import	3393	4288	3868	8263	7396
nana	Import	192				
nana	Export					
nana	Consumption	14891	12353	19738	24263	38200
gs	Local prod	1981	2430	2946	2027	2698
gs	West Bank Import	13		26	24	42
gs	Import					
gs	Export	223	265	257	311	30
gs	Consumption	1771	2165	2715	1740	2710
megranate	Local prod	2117	1755	1803	100	1854
megranate	Import					
megranate	Export	827	972	813	1041	549
megranate	Consumption	1290	783	990	959	1305
ach	Local prod	1849	885	924	1202	1223
ach	Import	1385	1782	418	293	25
ach	Export	1698	318	82	23	4
ach	Consumption	1536	2349	1260	1472	1244
een Almond	Local prod	1138	1474	1199	1047	1465
een Almond	West Bank Import	1395	1006	873	1105	325
een Almond	Import					

Product	Description	1981	1982	1983	1984	1985
een Almond	Export	2096	910	802	994	694
een Almond	Consumption	437	1570	1270	1158	1096
e Honey	Local prod	128	90	95	115	114
e honey	West Bank Import	31	36	41	41	37
e honey	Import	213	92	182	318	183
e honey	Export	14.7	16.7	7.5	8	8
e honey	Consumption	357.3	197.7	310.5	474.8	362
mb & goats (live b	Local prod	1602300	1580000	1422000	1019000	163600
mb & goats (live b	Import	483606	527630	781789	226133	125585
mb & goats (live b	Export	147533	127766	423139	237214	222606
mb & goats (live b	Available	1938373	1979864	1780650	7919	
ve beef (by #)	Local prod	30000	27580	30000	34000	34500
ve Beef (by #)	Import	2755	2369	5020	2645	16964
ve beef (by #)	Export	24	8	293	363	
ve Beef (by #)	Available	32735	29861	43727	36282	51464
d Meat	Local prod	8545	8711	10190	9920	10908
d meat	Import	27611	26739	21500	20529	23000
d Meat	Export				3	
d Meat	Consumption	36156	3545	31690	30446	33908
ultry	Local prod	26000	32400	41500	4900	55000
ultry	Import	5025	9256	7386	8297	2612
ultry	Export					5
ultry	Consumption	31025	41656	48886	57297	57607
lk	Local prod	41970	48178	45550	54880	71300
lk	Import	855	11504	9917	9999	11351
lk	Export					
lk	Consumption	50521	59682	55467	64879	82651
gs (millions)	Local prod	350	373.5	423	400	520

Product	Description	1981	1982	1983	1984	1985
;gs (millions)	Import					
;gs (millions)	Export	58.7	53.7	84.7	62.1	133
;gs (millions)	Consumption	291.3	319.8	338.3	336.9	38
sh	Local prod	36		17	2	90
sh	Import	4763	4404	1485	7380	6188
sh	Export					
sh	Consumption	4799	4404	6502	7382	6278

Appendix No. 4

Jordan Production and Shipment Data, part 2

Jordan East Bank and Highlands Agriculture During Period 1981-1985

Product	Year	Area Planted (dunums)	Production (tons)
Melon	1981	18258	9335
	1982	15113	13100
	1983	23731	34038
	1984	26262	34660
	1985	35238	51641
Garlic	1981	233	152
	1982	360	206
	1983	641	402
	1984	1785	1372
	1985	1060	735
Okra	1981	11000	3486
	1982	9744	2045
	1983	12071	3984
	1984	10942	2245
	1985	13653	3015
Olives	1981	242087	18967
	1982	259315	43008
	1983	277946	25160
	1984	278210	38967
	1985	297749	22610
Grape	1981	102225	45911
	1982	114562	48664
	1983	116365	51881
	1984	120902	38742
	1985	126156	52637
Citrus fruits	1981	31716	86941
	1982	40078	126977
	1983	40250	123461
	1984	42572	95202
	1985	63061	158270
Cauliflower	1981	18658	24290
	1982	21079	44585
	1983	40250	57285
	1984	19659	41271
	1985	16655	35408

Product	Year	Area Planted (dunums)	Production (tons)
Cabbage	1981	8035	15355
	1982	8404	20646
	1983	13038	31567
	1984	20780	57409
	1985	11482	28910
Onion	1981	11099	11680
	1982	15078	30150
	1983	17533	23623
	1984	11311	8880
	1985	12914	13656
Potato	1981	4170	9071
	1982	7468	11536
	1983	7777	25660
	1984	12568	26614
	1985	15504	26199
Watermelon	1981	34150	19355
	1982	24566	25157
	1983	49364	73632
	1984	36833	46568
	1985	38011	65011
Tomato	1981	142547	341362
	1982	156485	375427
	1983	172073	408214
	1984	155623	354581
	1985	137067	412268
Eggplant	1981	25246	33972
	1982	46157	73842
	1983	52955	132096
	1984	59253	78692
	1985	37059	49525
Cucumber	1981	42765	106179
	1982	32026	87454
	1983	40899	138194
	1984	34426	89141
	1985	64817	204748
Pepper	1981	15683	13187
	1982	18719	15049
	1983	25625	32495
	1984	24583	27750
	1985	15952	27534

Product	Year	Area Planted (dunums)	Production (tons)
Beans	1981	7723	9248
	1982	12792	11695
	1983	14807	12113
	1984	10078	15861
	1985	18946	27494
Dry fava beans	1981	19736	769
	1982	4362	439
	1983	7375	1396
	1984	7257	233
	1985	7258	505
Barley (one kind)	1981	45635	3259
	1982	34838	2269
	1983	58826	4948
	1984	28355	1416
	1985	40745	2521
Corn	1981	9548	423
	1982	6052	129
	1983	7541	367
	1984	4279	209
	1985	8701	353
Tobacco	1981	67533	2901
	1982	81540	4022
	1983	84005	4744
	1984	69520	2345
	1985	55522	3438
Wheat	1981	1060716	59687
	1982	759901	29100
	1983	1106592	115613
	1984	430031	24983
	1985	943556	62827
Barley	1981	448313	18162
	1982	318735	7327
	1983	449980	34024
	1984	190290	4841
	1985	399202	19681
Lentil	1981	104315	6477
	1982	54670	2648
	1983	92910	8079
	1984	31547	1722
	1985	47875	4063

Product	Year	Area Planted (dunums)	Production (tons)
Chick pea	1981	20572	1291
	1982	23129	929
	1983	31557	1526
	1984	15601	602
	1985	28900	1589
Sesame seed	1981	1720	59
	1982	744	32
	1983	869	47
	1984	1517	47
	1985	1672	121

AREA OF LAND PLANTED IN KINGDOM OF JORDAN
1981-1985
(dunums)

Years	Planted lands		Total
	Irrigated	Rainfall	
1981	461169	2092596	2553765
1982	532543	1605259	2137802
1983	591234	2214227	2805461
1984	556294	1143281	1699575
1985	585244	1952867	2538111

Production of Most Important Products, 1985
kg/dunum according to area, irrigation & planting system

Product	N & Central Jordan Val		S Jordan Val		Mountains	
	Surf	Drip	Surf	Drip	Surf	Drip
Tomato	2049	3827	1196	2868	2768	4785
Eggplant	3540	4174	1442	2605	1871	4500
Zucchini	1194	2132	--	--	1421	2592
Cucumber	763	1410	--	1500	1664	2415
Pepper	1821	1564	836	--	1859	2218
Onion	850	--	--	--	--	--
Potato	2036	--	--	--	2668	--
Beans	572	--	--	--	930	--

Product	N & Central Jordan Val		S Jordan Val		Mountain	
	Surf	Drip	Surface	Drip	Surf	Drip
Cauliflower	2929	--	--	--	2507	3298
Cabbage	2342	--	--	--	1600	2559
Watermelon	1500	--	--	--	2307	3387
Melon	742	1894	--	1350	1766	2792
Green fava beans	475	--	--	--	--	--
Tomato + cucumber	--	2970	--	--	1923	3626
Tomato + cauliflower	--	--	--	--	2556	--
Cauliflower + cucumber	--	--	--	--	2231	--
Tomato + zucchini	--	3096	--	--	--	--
Eggplant + pepper	--	3310	--	--	--	--
Cucumber + pepper	--	--	--	--	--	--
Cauliflower + melon	--	--	--	--	--	2089

All of the above are grown in open fields.

Planted under plastic houses:

Tomato	--	5408	--	--	--	4979
Cucumber	--	4044	--	3588	--	6588
Bell pepper	--	3339	--	--	--	3500
Cucumber + pepper	--	4288	--	3900	--	--

Plantations in Kingdom 81-85

Area	81-82		82-83		83-84		84-85	
	Hses[1]	Exp[2]	Hses	Exp	Hses	Exp	Hses	Exp
ent. Jordan ley	3405	7700	3608	9820	5052	10600	5370	12500
rn Jordan	--	--	59	--	104	--	114	--
	--	--	5	--	9	--	21	--
	--	--	--	--	642	--	900	--
	--	--	--	--	419	--	458	
& Madaba	55	--	279	--	849	--	872	--
	12	--	83	--	107	--	123	--
	2743	7700	4034	9820	7182	10600	7858	12500

Tomato Processing 1982-1985
(Quantities in Tons)

Arda Factory		Safi Factory		Marka Factory		Total	
fm Shefa	fm Jordan V.	Shefa	Jordan V.	Shefa	Jordan V.	Shefa	Jordan V.
15211	8217	--	--	28	3657	15239	11874
5113	19619	--	322	816	1212	5929	21153
24741	6952	--	5761	927	--	25688	12713
10774	29173	--	624	--	4770	10774	

Total Fresh Tomatoes Exported to Factories
(Quantities in Tons)

Year	Amount in Tons
1982	27113
1983	27082
1984	38381
1985	45341
Yearly Average	34479

Licensed Olive Presses in Kingdom until 1984

cation	Automatic Presses	Half Auto Presses	Old Presses	TOTAL	Production (tons/day)
	9	4	26	39	346
Zarka	3	--	--	3	60
	2	6	4	12	95
	2	9	--	11	125
Tafila	2	--	5	7	50
	2	2	1	5	72
	20	21	36	77	748

Manures and Fertilizers Imported to Jordan, 83-85
(Quantity in Tons)

Type	1983	1984	1985
Peat Moss[3]	1414	1789	2424
Yorleia	15410	9940	12115
Ammoniac	600	4250	3300
Phosphate	13300	11000	2000
15/15/15 mixture	5600	1300	5062
18/18/18 mixture	3000	1000	1018
Micafoze 18/18/5/15	1700	2517	900
Cristacolor 19/6/6	850	576	960
Nitrophosphate[4]	60	510	340
Iron remains (6%)	14	25	21
Liquid fertilizers	9	25	21
Compifit 24/8/8	220	127	529
Mixture 20/20/20	92	282	259

3 organic fertilizers include animal content and are processed

Total Loans Given by Trade Banks
(Dinars)

1983	1984	1985
JD 25,478,209	25,513,898	26,289,000

Total Loans Given by Governmental Committee
and Trade Banks (Dinars)

1983	1984	1985
JD 34,762,958	32,970,525	36,211,759

Numbers of Ag Coops, Number of Members, and Amount of
Loans Given to Them for Agriculture (JD)

	1983	1984	1985
# of Ag Coops	177	176	188
# of members	16,555	16,329	17,038
Short range loans (less than 1 yr)	2,844,690	1,224,846	1,566,404
Medium range loans (1-5 yrs)	399,964	471,678	335,841

Total Loans Given by the Agricultural Loaning Committee (JD)

1983	1984	1985
JD 5,605,485	5,467,559	7,930,299

Total Loans Given by JCO (JD)

1983	1984	1985
JD 3,244,564	1,696,524	1,902,245

Total Loans Given by Agricultural Union in Jordan Valley (JD)

1983	1984	1985
JD 286,819	147,442	90,215

Fruits Imported to Jordan (East Bank) from Gaza, 1981-1985
(Quantity in Tons)

Product	1981	1982	1983	1984	1985	Average
marti Oranges	28,262	34,800	21,238	24,888	18,480	25,534
al Oranges	75	76	52	41	70	63
encia Oranges	72,658	58,544	48,772	58,980	55,306	58,852
AL oranges	100,995	93,420	70,062	83,909	73,856	84,448
on	4,206	5,904	3,563	4,533	7,369	5,115
efruit	1,806	1,576	2,001	932	395	1,342
AL citrus fruits	107,007	100,900	75,626	89,374	81,620	90,905
va	1,789	1,850	1,683	2,255	3,292	2,174
es	482	312	199	273	503	354
AL non-citrus fruits	2,271	2,162	1,882	2,528	3,794	2,528
JD TOTAL	109,278	103,062	77,508	91,902	85,415	93,433

Jordanian Exports (Agricultural Products), 81-85
(Quantities in Tons)

Product	1981	1982	1983	1984	1985
Tomato	122,099	147,909	123,038	134,012	104,494
Eggplant	32,343	36,878	28,456	34,503	34,987
Zucchini	26,545	37,050	32,570	22,045	26,308
Cucumber	39,263	50,640	53,050	58,277	61,587
Pepper	9,435	12,092	17,399	20,339	21,413
Beans	6,090	5,955	7,991	7,667	7,793
Onion	8,738	6,075	5,667	3,757	4,155
Potato	3,159	4,833	2,439	5,741	8,690
Cauliflower	10,943	12,807	17,452	16,328	13,826
Cabbage	7,528	9,047	9,445	13,400	10,060
Watermelon	305	83	2,764	5,961	8,088
Melon	6,312	5,703	15,481	16,154	12,065
Green fava beans	2,938	4,111	4,411	1,099	1,639
Lettuce	13,957	12,233	21,449	19,266	23,278
Carrots	1,586	627	843	305	414
Garlic	42	25	115	49	--
Spinach	63	118	37	4	--
Turnip	47	14	4	7	32
Okra	1,186	995	1,814	825	1,524
Mouloukhieh	549	224	328	81	80
Sage	10	--	--	11	--
Beet	8	--	--	1	2
Peas	25	--	--	--	--
Oranges	98,251	105,647	72,024	76,648	86,806
Clementines	9,630	12,281	11,827	16,510	14,303
Mandarines	2,461	5,009	5,384	4,399	7,848
Lemon	12,814	15,524	17,490	21,690	27,018
Grapefruit	3,049	1,696	2,158	1,083	971
Pomela	274	312	327	394	521
Apples	742	1,379	2,471	2,681	673
Chestnut	2	--	--	25	--
Pears	38	250	195	305	109
Green Almonds	2,096	910	802	994	694
Grapes	3,645	6,001	6,270	4,883	2,016
Guava	308	449	146	171	54
Pomegranate	827	972	813	1,041	549
Peach	1,698	318	82	23	4

Jordanian Imports (Agricultural Products), 81-85
(Quantities in Tons)

Product	1981	1982	1983	1984	1985
Onion	15,847	18,011	19,547	12,929	8,071
Potato	38,261	39,333	25,274	20,587	11,613
Carrots	3,221	2,962	3,339	3,479	3,985
Garlic	1,106	1,251	2,720	1,865	1,649
Turnip	835	1,020	1,390	1,038	1,386
Beets	177	257	173	223	222
Watermelon	10,725	5,358	2,995	1,087	343
Melon	85	415	409	329	659
Colcasia	10	55	73	101	23
Lettuce	11	202	227	--	--
Pepper	128	245	--	--	--
Cabbage	19	998	--	--	161
Beans	34	52	--	--	--
Green fava beans	15	8	3	--	--
Sage	168	457	440	509	712
Cauliflower	74	64	--	--	33
Apples	27,964	37,582	41,679	31,689	37,179
Peach	1,385	1,782	418	293	25
Pear	952	2,352	2,704	1,733	3,120
Akadenia (medlar)	328	120	256	--	1,013
Chestnut	821	582	232	678	447
Lemon	533	790	1,022	211	649
Banana	192	--	--	--	--
Orange	145	--	--	--	--
Plums	659	1,037	718	173	880
Cherries	181	382	447	271	880
Apricots	833	1,720	1,620	496	2,144
Grapes	253	103	112	--	--
Coconut	110	289	111	37	1
Dates	15	20	232	--	--
Sugar Cane	20	35	--	97	27
Pineapple	8	--	16	--	--
Mango	12	--	22	--	--
Quince	22	91	--	89	--
Red plums	279	631	90	151	--

Cost of One Dunum Production of the Most Important Products (JD)

Product	Cost
Wheat	6.25
Barley	9.72
Lentil	9.69
White corn	14.70
Sesame seed	13.70
Chick peas	11.21
Dried fava beans	11.30

Production and Accounting of the Products of a Dunum 1985 (JD)

Product	Mountains		E. & Central J.V.		South J.V	
	Surf.	Drip	Surface	Drip	Surf.	Drip
Planted in open fields:						
Tomato	185.3	282.8	160.1	272.3	94.2	221.7
Eggplant	181.3	313.8	198.7	300.1	111.6	219.5
Zucchini	158.2	214.8	114.5	202.6	--	--
Pepper	233	268.2	234.1	281.3	142.8	--
Cucumber	127.5	230.5	94.6	190.9	--	213.8
Cauliflower	126.4	174.8	97.2	--	--	--
Cabbage	86.8	129	94.6	--	--	--
Onions	--	--	107.6	--	--	--
Potatoes	208.3	--	205.2	--	--	--
Beans	131.8	--	98.5	--	--	--
Green fava beans	--	--	72.9	--	--	--
Watermelon	88.1	144	73.7	--	--	--
Melon	119.6	190.6	76.7	156.9	--	138.2
Tom + Zucch	--	--	--	247.2	--	--
Tom + Cauli	209.5	--	--	--	--	--
Tom + Cuc	188.5	311.4	--	292.6	--	--
Melon + Caul	--	229.1	--	--	--	--
Cuc + Caul	231.5	--	--	--	--	--
Eggp + Pepper	--	--	--	289.1	--	--
Planted in plastic houses:						
Tomato	--	557.3	--	700.7	--	--
Cucumber	--	721	--	691.5	--	624.9
Bell pepper	--	623	--	679.1	--	--
Pepper + Cuc	--	--	--	689.7	--	605.3

Quantities and Prices of Fruits and Vegetables
in Irbid, Zarka and Amman Markets, 1981-85

Prices: Fils/kg
Quantity: Tons

Product	Irbid		Zarka		Amman	
	Quant	Avg Pr	Quant	Avg Pr	Quant	Avg Pr
Tomato	21,582	99	7,362	74	92,345	111
Eggplant	4,755	74	1,336	67	29,853	95
Zucchini	4,252	99	1,157	87	21,149	138
Cucumber	8,797	129	2,560	103	55,683	166
Chili pepper	582	205	226	152	3,935	199
Bell pepper	897	172	204	67	5,332	216
Beans	703	214	266	200	16,472	222
Cauliflower	9,205	52	994	76	9,405	101
Cabbage	2,422	68	617	68	12,914	72
Onion	4,406	103	933	107	27,794	98
Potato	6,891	144	2,153	147	57,537	145
Watermelon	11,828	63	716	48	16,634	84
Melon	1,760	76	82	43	2,106	112
Gn fava bean	730	119	50	251	2,986	152
Lettuce	496	67	164,860	43	2,136	74
Spinach	1,171	46	386	79	4,472	101
Carrots	351	87	74	79	1,362	107
Garlic	495	193	67	226	103	225
Peas	2	230	1	343	296	225
Black eyed peas	8	149	14	43	1,238	272
Okra	338	228	173	57	7,704	295
Mouloukhieh	5,511	54	1,878	65	--	68
Radishes	866	56	122	72	449	--
Cucurbit	22	62	31	150	--	100
Turnips	313	67	54	131	61	--
Local squash	7	161	0.3	150	61	190
Grapes	2,160	190	1,276	131	11,841	209
Bananas	1,285	244	--	--	10,510	230
Figs	168	263	144	191	383	280
Almonds	53	297	18	232	738	362
Peaches	42	362	12	220	579	438
Apples	6,012	109	1,511	153	29,799	199
Apricots	356	267	56	168	1,501	293
Plums	492	140	81	109	3,196	207
Clementines	1,982	156	839	142	210,575	154
Mandarins	3,917	131	526	111	12,337	137
Lemons	3,907	108	849	107	26,276	153
Oranges	7,735	170	1,546	118	110,158	178

Appendix No. 5

Israeli Data

AGRICULTURE

חקלאות

TABLE F/1.- SUPPLY OF VEGETABLES AND POTATOES, FRUIT AND MELONS TO MAIN MARKETS IN JUDEA AND SAMARIA

לוח ו/1.- אספקת ירקות וחפיחי אדמה, פירות ומקשה לשווקים עיקריים ביהודה ושומרון

	מחיר סיטוני ממוצע (שקל לטון) Average wholesale price (IS per ton)		כמויות (בטונות) Quantities (in tons)		
	VII-IX 1985	VII-IX 1984	VII-IX 1985	VII-IX 1984	
VEGETABLES AND POTATOES - TOTAL			16,113	22,425	ירקות וחפוחי אדמה - סך הכל
Potatoes	470,510	96,240	1,716	3,898	חפוחי אדמה
Tomatoes	219,640	48,170	4,814	6,434	עגבניות
Cucumbers and snake cucumbers	351,780	83,720	1,904	2,394	מלפפונים ופקוס
Okra	566,520	141,240	363	394	במיה
Eggplants	239,680	57,630	1,806	2,444	חצילים
Hot peppers	410,040	69,900	293	318	פלפל חריף
Vegetable marrows	531,590	104,320	528	701	קישואים
Cauliflower	484,240	118,450	542	767	כרובית
Cabbage	387,870	153,590	471	361	כרוב
Peppers	229,600	62,260	89	101	פלפל רגיל
Onion, dry	269,470	45,120	1,021	1,499	בצל יבש
Carrots	223,550	54,660	43	119	גזר
Corn	247,890	113,620	248	120	תירס
Beans and lubia	683,150	119,470	281	489	שעועית ולוביה
Parsley	674,960	93,280	66	86	פטרוזיליה
Malooxia	352,070	49,570	1,739	2,069	מלוכיה
Other			189	231	אחר
FRUIT - TOTAL			7,795	10,327	פירות - סך הכל
Grapefruit	447,380	70,120	4	10	אשכוליות
Lemons	596,940	70,500	520	886	לימונים
Pomegranates	410,600	102,200	89	218	רימונים
Grapes	374,980	101,550	2,319	3,467	ענבים
Oranges	394,420	164,160	30	40	תפוזים
Bananas	815,150	180,360	410	502	בננות
Plums	386,590	99,340	1,172	895	שזיפים
Apples	601,180	139,280	1,621	2,114	תפוחי עץ
Peaches	530,230	162,140	621	672	אפרסקים
Mandarines and clementines	607,310	183,250	17	12	מנדרינות וקלמנטינות
Figs	810,150	-	124	-	תאנים
Pears	842,630	126,560	333	1,026	אגסים
Apprioot	274,680	-	44	-	משמש
Guava	1,000,370	256,670	311	182	גויבות
Other			190	303	אחר
MELONS - TOTAL			6,619	8,893	מקשה - סך הכל
Watermelons	126,760	27,010	5,696	7,268	אבטיחים
Sugarmelons	246,570	44,990	923	1,625	מלונים

TABLE F/1.- (Cont'd.) לוח ו/1.- (המשך)

	מחיר סיטוני ממוצע (שקל לטון) Average wholesale price (IS per ton)		כמויות (בטונות) Quantities (in tons)		
	X-XII 1985	X-XII 1984	X-XII 1985	X-XII 1984	
VEGETABLES AND POTATOES - TOTAL			8,641	24,909	ירקות וחפוחי אדמה - סך הכל
Potatoes and sweet potatoes	557,990	153,220	2,034	3,857	חפוחי אדמה ובטטה
Tomatoes	672,130	139,850	2,096	6,153	עגבניות
Cucumbers and snake cucumbers	700,920	176,770	542	3,263	מלפפונים ופקוס
Maluchia	804,290	191,640	130	208	מלוכיה
Parsley	907,580	251,680	20	104	פטרוזיליה
Eggplants	317,430	100,000	719	2,187	חצילים
Hot green peppers	1,082,100	280,070	197	385	פלפל חריף ירוק
Vegetable marrows	384,650	191,690	516	1,851	קישואים
Cauliflower	388,950	188,200	376	2,153	כרובית
Cabbage	206,420	160,080	453	1,589	כרוב
Radishes	167,610	79,700	328	501	צנון וצנונית
Onion, dry	686,590	110,920	160	556	בצל יבש
Carrots	287,990	161,660	161	160	גזר
Spinach	236,060	186,180	467	563	תרד
Beans and lubia	880,231	286,210	108	553	שעועית ולוביה
Onion, green	441,950	196,960	37	95	בצל ירוק
Turnip	254,680	175,690	218	151	לפת
Other			79	580	אחר
FRUIT - TOTAL			9,876	13,746	פירות - סך הכל
Oranges	293,520	162,910	556	1,917	תפוזים
Guava	487,290	142,350	531	1,387	גויבה
Lemons	283,940	80,490	257	1,049	לימונים
Grapefruit	127,430	82,350	40	293	אשכוליות
Peaches	400,000	27,500	6	4	אפרסק
Pomegranates	305,480	114,070	42	59	רימון
Bananas	738,710	240,450	2,767	1,689	בננות
Figs	567,000	295,980	3	3	תאנים
Apples	863,700	284,760	3,038	1,980	תפוחי עץ
Olives	2,293,000	556,220	477	74	זיתים
Dates	800,050	216,890	403	219	תמרים
Persimmon	532,030	197,590	110	180	אפרסמון
Grapes	561,010	203,520	802	1,184	ענבים
Mandarines and clementines	520,750	161,780	831	3,225	קלמנטינות ומנדרינות
Avocado	917,650	259,340	10	155	אבוקדו
Other			3	328	אחר
MELONS AND PUMPKINS - TOTAL			12	6	מקשה - סך הכל
Watermelons	-	-	-	-	אבטיחים
Sugarmelons	267,800	140,430	12	6	מלונים

TABLE 7/2.- SUPPLY OF VEGETABLES AND POTATOES, FRUIT, MELONS AND PUMPKINS TO MAIN MARKETS IN THE GAZA AREA

לוח 7/2.- אספקת ירקות וחפורי אדמה, פירות ומקשה לשווקים עיקריים בחבל עזה

	מחיר סיטוני ממוצע (שקל לטון) Average wholesale prices (IS per ton)		כמויות (בטונות) Quantities (in tons)		
	VII-IX 1985	VII-IX 1984	VII-IX 1985	VII-IX 1984	
VEGETABLES AND POTATOES - TOTAL			8,848	11,821	ירקות וחפורי אדמה - סך הכל
Potatoes and sweet potatoes	438,770	93,900	691	1,171	חפורי אדמה ובטטה
Tomatoes	203,420	39,620	3,764	5,250	עגבניות
Cucumbers and snake cucumbers	373,780	71,650	897	983	מלפפונים ופקוס
Okra	1,551,970	28,745	119	107	במיה
Spinach	43,880	67,070	48	40	תרד
Eggplants	142,650	33,600	946	1,087	חצילים
Hot green peppers	376,740	41,450	402	360	פלפל חריף ירוק
Vegetable marrows	465,220	82,960	130	178	קישואים
Cauliflower	361,840	106,060	60	38	כרובית
Cabbage	246,570	-	25	-	כרוב
Beans and lubia	578,490	131,200	121	145	שעועית ולוביה
Onion, dry	206,540	42,500	688	1,672	בצל יבש
Kaluchia	226,910	68,720	787	618	מלוכיה
Corn	138,290	22,330	132	103	תירס
Other			38	69	אחר
FRUIT - TOTAL			7,565	8,256	פירות - סך הכל
Plums	314,820	74,170	277	148	שזיפים
Peaches	593,490	93,450	262	270	אפרסקים
Lemons	506,480	85,640	150	123	לימונים
Mango	1,533,580	432,190	670	243	מנגו
Grapes	406,640	108,820	2,329	1,945	ענבים
Figs	573,350	123,990	237	149	תאנים
Bananas	571,600	152,340	151	728	בננות
Dates	1,380,650	303,880	1,033	1,146	תמרים
Apples	7,020	139,700	1,942	2,800	חפורי עץ
Pears	763,580	107,100	62	301	אגסים
Guava	627,130	153,430	200	65	גויבות
Other			252	338	אחר
MELONS AND PUMPKINS - TOTAL			5,856	19,662	מקשה - סך הכל
Watermelons	66,760	16,490	5,455	18,834	אבטיחים
Sugarmelons	146,770	26,520	401	828	מלונים

TABLE F/2.- (Cont'd.)

לוח ו/2.- (המשך)

	מחיר סיטוני ממוצע (שקל לטון) Average wholesale price (IS per ton)		כמויות (בטונות) Quantities (in tons)		
	X-XII 1985	X-XII 1984	X-XII 1985	X-XII 1984	
VEGETABLES AND POTATOES - TOTAL			31,308	9,896	ירקות ותפוחי אדמה - סך הכל
Potatoes	616,390	144,550	3,757	2,285	תפוחי אדמה
Tomatoes	671,570	111,030	4,579	3,183	עגבניות
Cucumbers and snake cucumbers	464,900	154,850	5,802	484	מלפפונים ופקוס
Radishes	258,330	60,290	614	294	צנון וצנונית
Eggplants	267,090	96,780	3,499	634	חצילים
Hot peppers	622,160	507,310	933	133	פלפל חריף
Vegetable marrows	355,880	138,300	4,569	401	קישואים
Turnip	392,230	90,110	188	154	לפת
Spinach	422,620	130,810	575	388	חרד
Corn	665,170	-	795	-	חירס
Onion, dry	474,970	56,390	595	467	בצל יבש
Carrots	664,460	153,340	219	66	גזר
Cauliflower	606,530	171,060	2,024	331	כרובית
Beans and lubia	934,540	229,090	894	57	שעועית ולוביה
Cabbage	566,750	88,160	1,416	632	כרוב
Kaluchia	610,910	151,660	213	228	מלוכיה
Other			636	159	אחר
FRUIT - TOTAL			18,489	10,693	פירות - סך הכל
Oranges	510,980	92,460	3,728	432	תפוזים
Lemons	460,440	67,360	1,545	213	לימונים
Grapefruit	317,130	49,550	260	20	אשכוליות
Avocado	917,070	-	263	-	אבוקדו
Pomelo	524,400	-	550	-	פומלות
Bananas	982,220	229,250	1,856	4,970	בננות
Mandarines and clementines	467,270	171,220	4,446	483	מנדרינות וקלמנטינות
Apples	959,710	293,680	2,060	2,924	תפוחי עץ
Guava	606,850	147,930	1,134	529	גויבות
Grapes	770,850	153,480	1,531	519	ענבים
Persimmon	552,740	219,060	381	118	אפרסמון
Other			735	485	אחר
MELONS - TOTAL					מקשה - סך הכל
Watermelons	-	-	-	-	אבטיחים
Sugarmelons	417,620	57,970	37	81	מלונים

TABLE F/3.- WHOLESALE MARKETING OF VEGETABLES, FRUIT AND MELONS TO JUDEA AND SAMARIA, TO THE GAZA AREA, TO EAST JERUSALEM AND TO JORDAN, BY SOURCE AND DESTINATION

לוח ד/3.- שיווק סיטוני של ירקות, פירות ומקשה ליהודה ושומרון, לחבל עזה, למזרח ירושלים ולירדן, לפי המקור והיעד

Tons, agricultural year

טונות, אלא אם כן צוין אחרת

יצוא לירדן To Jordan	למזרח ירושלים to East Jerusalem: מישראל From Israel	למזרח ירושלים: מיהודה ושומרון From Judea and Samaria	למזרח ירושלים: סך הכל Total (a)	מישראל: לחבל עזה To the Gaza Area	מישראל: ליהודה ולשומרון To Judea and Samaria	מחבל עזה: לחבל עזה To the Gaza Area	מחבל עזה: ליהודה ולשומרון To Judea and Samaria	מיהודה ושומרון: לחבל עזה To the Gaza Area	מיהודה ושומרון: ליהודה ולשומרון to Judea and Samaria			
	Vegetables								**ירקות**			
§..	2,155	620	3,640	9,034	22,528	24,979	11,141	333	59,922		1982/83	תשמ"ג
§..	2,269	677	3,453	14,724	25,446	26,261	16,104	882	62,324		1983/84	תשמ"ד
..	2,527	294	3,018	9,744	22,133	29,103	20,474	735	55,157		1984/85	תשמ"ה
											1985/86	תשמ"ו
§..	696	37	762	2,631	8,077	7,078	4,966	188	11,864	X-XII	1985	תשמ"ה
3,404	397	73	470	2,005	5,292	7,085	5,749	337	17,589	I-III		
4,124	780	134	984	2,144	4,659	8,059	6,505	209	16,950	IV-VI		
522	654	48	802	2,964	4,105	5,881	3,254	1	8,754	VII-IX		
276	1,231	512	1,749	1,629	8,079	6,983	2,377	26	20,651	X-XII	1985	תשמ"ו
										I-III	1986	
										IV-VI		
										VII-IX		
	Fruit and melons								**פירות ומקשה**			
§..	1,114	275	1,531	18,373	33,654	5,743	4,238	1,861	30,361		1982/83	תשמ"ג
§..	1,462	395	1,898	41,769	35,376	5,013	2,477	2,106	26,386		1983/84	תשמ"ד
..	§1,349	106	1,569	39,113	32,210	5,648	3,618	2,556	24,065		1984/85	תשמ"ה
											1985/86	תשמ"ו
§..	134	43	185	8,197	5,291	1,982	978	595	7,480	X-XII	1984	תשמ"ה
8,467	62	54	116	7,310	4,423	816	1,408	5	5,773	I-III	1985	
20,522	419	-	421	13,923	13,430	879	468	189	8,228	IV-VI		
2,373	734	9	846	9,683	9,068	1,971	764	1,767	4,584	VII-IX		
5,764	62	323	385	8,092	5,466	2,568	1,006	1,228	12,053	X-XII	1985	תשמ"ו
										I-III	1986	
										IV-VI		
										VII-IX		

(a) Incl. marketing from Gaza Area.

(a) כולל שיווק מחבל עזה.

Appendix No. 6
AMMAN MARKET DATA

1. Daily Report to J.C.O.

J.C.O. Marketing Department

Sales and Inventory

Day: Thursday, 11-9-86

No. 0927

Daily Sales

Description	Amount		Amount	
Daily sales, cash	242	660		
Daily sales, debt	1925	315		
Fees for city security fm buyers	43	295		
Day's revenue			84	890
Fees fm buyers & sellers to city security today			85	725
Expenses pd on products sold & its deducted prices today			259	225
Seller's revenues			1781	430
TOTAL	2211	270	2211	270

Box Inventory

	JD	Fils
20 Dinars	1,020	
10 Dinars	1,380	
5 Dinars	1,880	
1 Dinar	1,160	
.5 Dinar	205	
Metal	1	487
Checks	156	620
TOTAL	5,803	107

TOTAL Cash for Today	2787.190
Exporting Merchants Credit Today	33623.040
Credit	38652.700
Local sellers credit today	9339.650

Balance is 5803.107 and the total assets in box
Last received voucher # 733
Last payment voucher # 24176
Last voucher =

List of amounts Received and prices and Amounts + list of purchases

Copy to: Vice Director
Coop bank director
Internal control director
Follow-up committee
Coop institute/research & study
Daily sales file/in department
Box inventory file/in department Markets through marketing

2. Daily report to Market Center

Parallel Market for Fruit & Vegetables, Amman

Date: 11/9/86 No: 61428

No. of Agent's Shop: 66

Agent Name: JCO

Total Cost JD	Fils	Kind	Quantity Bag	Box	Weight (kg)	Separate Cost JD	Fils
6	500	Dried milk		1	13		500
55	900	Onions		31	559		100
72	360			39	804		90
154	--	Cucumbers		77	217293	2	-
4	--			2		2	-
53	200			28	185159	1	900
36	--			20		1	800
110	400			69	227343	1	600
190	400			119	244017	1	600
43	500			29		1	500
12	750		17				750
14	--			20			700
4	200		7				600
1	--			2			500
42	500	Tomatoes		34		1	250
8	--			32			250
90	--	Beans		40	244017	2	250
346	500			165	38130	2	100
174	--			87	2563501	2	
216	450	Zucchini		117	256359	1	850
14	--			14		1	00
12	--			20			600
16	--	Hot pepper		32	169855		500
6	--			20			300
19	500	Bell pepper		26			750
7	--	Okra	2				500
24	800		8				400
8	400		3				350
3	575		2		14		275
75	--	Watermelon	1		62		--
6	--	Black-eyed peas		30	24		200
1	250			1	13	1	250
2	200			2		1	100
13	--			13		1	100

TOTAL 1844 JD 385 fils

3. JCO Market Report

JCO Marketing Department

No. 1668

JD	Fils	Name	Separate Receival #
26	470	Sabhi Hemad	2279
4	850	Abd Fatah Mohammed	22791
10	--	Abdallah Ismaeel	22792
10	--	Fares Abu Awad	22793
5	510	Mahmoud Abu Madi	22794
18	770	Faraj Barghout	22795
7	--	Abd Rahman Shakour	22796
10	--	Ahmad Khalaf	22797
76	020	Saeed Asa'd	22798
10	870	Khalil Da'na	22799
10	180	Kayed Nazal	22800
100	--	Yoused Kharouf	22801
10	--	Mohamad Ali/Mktg	22802
50	--	Iman Ima Saoud	22803
10	--	Abu Shukri	22804
95	180	Mohamad Saka	22805
14	840	Mahmoud Kalifah	22806
4	240	Abu Jihad/Sunkint	22807
18	360	Khalid Hamouri	22808
72	980	Yousef Nazal	22809
11	400	Samea Khalil	22810
576	670	TOTAL	

JD	Fils	Name	Sep. Receival #
576	670	Total from last column	
14	490	Issa Ayed	22811
10	--	Mohamad Tofaha	22812
929	780	Omar Jidi	22813
33	510	Ralb Abu Jala	22814
2	040	Suleiman Ta´mii	22815
35	--	Ali Ikteel	22816
15	300	Sameer Abu Sharkieh	22817
16	600	Salemeh Lowaimeh	22818
10	200	Ali Jameel	22819
16	530	Mohamad Shelbayeh	22820
1	440	Mohamed Haboul	22822
40	500	Mohamad Saha	22822
630	650	Jihad Ja´fari	22823
14	280	Issa Abdallah	22824
28		Adnan Jalil	22825
202	290	Yousef Shareb	22826
15	500	Ali Abu Ras	22827
34	730	Shehadeh Sayed	22828
3	060	Ahmed Tareef Allah	22829
165	620	Ahmad Almohadan	22830
2787	190	TOTAL	

Merchants: 1560.430
Sellers: 1226.760
TOTAL 2787.190

Parallel Market Purchases

Thursday, 11-9-86

Kind	Name	#	Weight (kg)		Price JD	Price Fils
Tomato	Nejmeh	60		Boxes		650
Zucchini	Maslori	18		Boxes	2	--
Figs	Hamami	10		Boxes	1	300
Parsley	Haba	60		Bunch		
Mint	Haba	20		Bunch		
Coriander	Haba	18		Bunch		
Halva	Saadeh	25		Gathering		
Hot pepper	Saadeh	18		Boxes		
Powder	Haba	1		Bags		140
Seeds	Abu Jaber	20		Boxes	1	--
Beans	Sakji	5		Boxes	2	600
Corn	Nabil Atieh	10		Boxes	1	--
Oranges/navel	Abu Jaber	10		Boxes	1	500
Grapefruit	Salman	10		Boxes		700
Grape	Abu Sneiheh	50		Boxes		700
Watercress	Kresh	4		Boxes		
Cauliflower	Masoud	1		Truck		
Cabbage	Nejneh	6		Boxes	1	
Dates	Salman		64	Gathering		270
Mouloukhieh	Saadeh		108	Bunch		
Okra	Zuhdi	1	27	Carton		540
Okra	Haba	1	19	Bag		520
Black carrots	Haba	5	65	Boxes		
Pears	San	50	3	Boxes	1	050

Hashemite Kingdom of Jordan
Agriculture Ministry

Agriculture license for season 198 /198
Mr/owner
Renter/partner
What type of agriculture for piece/piece #
from area # from village in district
& the measurement of piece

It has been decided to let you plant the types of produce shown below in dunums, time of planting according to each kind. Reminding you to abide by these regulations according to agriculture law (20) for year 1973 and its reforms.

No	Crop	First planting meas/dunums	Second planting meas/dunums
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			

Appendix No. 7

Marketing Procedure and Transport Services

Trucks are used exclusively to transport agricultural product within the West Bank and to Jordan. They are privately owned. Most of the trucks are the property of merchants and market middle men. Some of the merchants are also farmers or are land-owners who lease their land to farmers. In this instance the land owner-merchant furnishes the inputs of produce and contracts to market the produce.

The trucks are registered by point of origin, i.e., Jericho, Hebron, Jenin, Tulkarm, Nablus, Ramallah, Qalqilia, the major production districts. The trucks, however, may make up loads of product from more than one district.

There are 350 trucks registered to haul products into Jordan. These trucks are used primarily for agricultural products. However, they are also used to haul industrial products - mostly building stone @ 20 tons per load. Much of it is transshipped to other Arab countries. The natural stone of the highland areas of the West Bank is a high quality sandstone of varying degrees of hardness. Some of it is very hard and flakes like flint. Most use is made of the softer grades that can be cut by special saws and worked into very fine building stones.

All trucks are by law pre-1967 vintage and are of the same engine and body style. They are stripped to bare metal throughout. This is for easy inspection for any kind of contraband. Considering their age and heavy use, they are kept painted and repaired in remarkable condition.

The use of trucks for agricultural produce is variable and conforms to the harvest seasons of the various fruits and vegetables. During some shipment periods there is a high demand for trucks and some premiums may be paid for transport, but during periods of reduced hauling the rates will be lower. Generally there is a uniform rate of transport that is established by informal meetings of merchants, growers, and truck owners. Considering the extra costs that are traditionally paid by the trucker (export, VAT, income

tax, licenses, insurance, repairs, fuel and other operating costs), the transport business is not considered highly profitable. There is also a consideration of the limited season of operation. Most truck owners have only fifty to seventy days of actual use during the year.

There are two bridges for entry into Jordan from the West Bank. The first is the Allenby Bridge located at Jericho. The other is the Adams Bridge located near the Jiftlik junction. Trucks registered in the northern districts of the West Bank - Nablus, Jenin, Tulkarm, Qalqilia, may use the Adams Bridge. All other trucks use the Allenby Bridge.

Trucks arrive at the bridges with their cargo usually after the bridges close (1:30 p.m.). They wait in line in the order of their arrival until the bridges open at 7:30 a.m. for Sunday through Thursday. Friday hours are from 7:30 a.m. to 11:30 a.m. Saturday is a closed day. In the process of crossing the Bridges, the truckers may give preference to the loads of highly perishable products such as tomatoes.

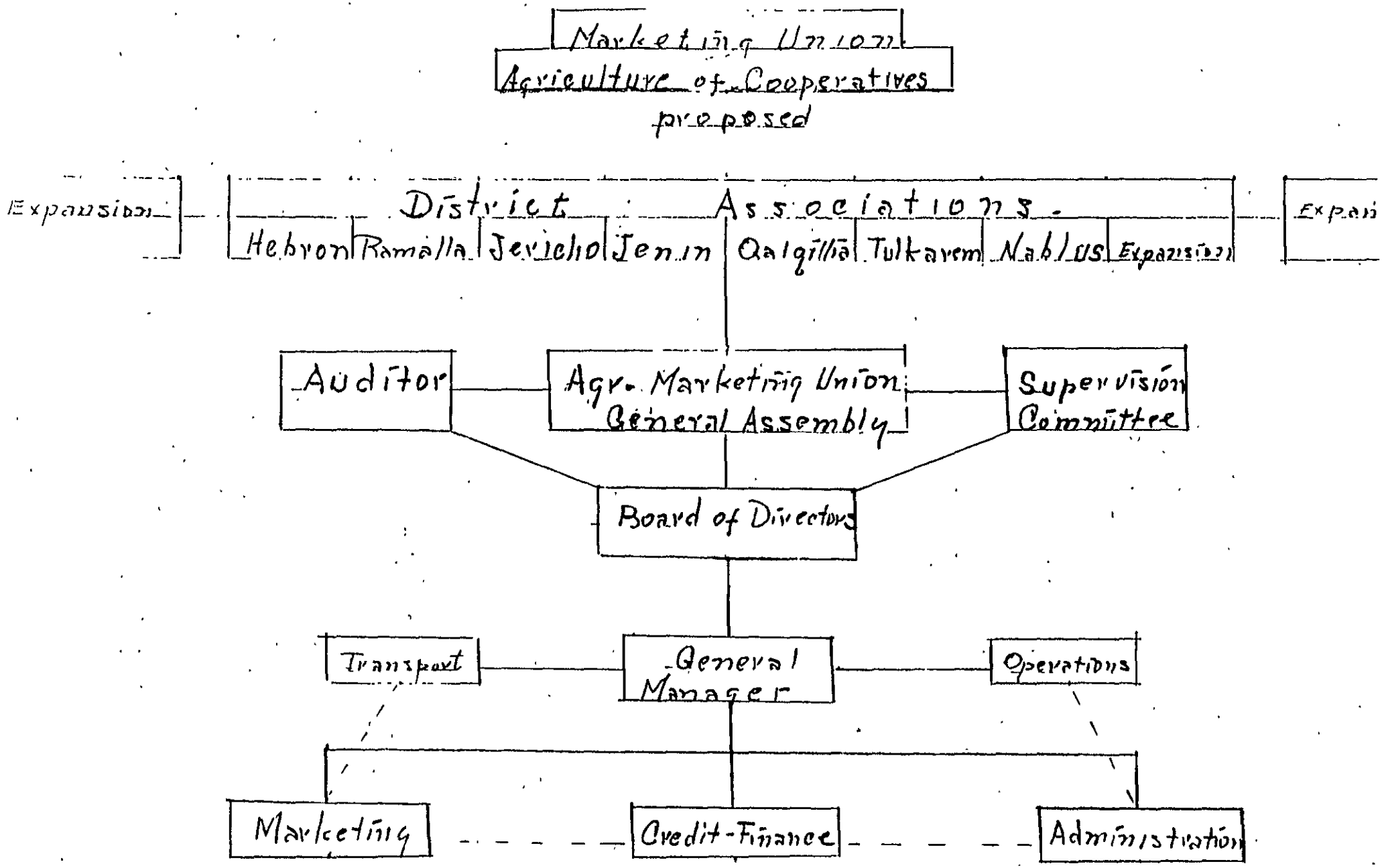
Before crossing the Bridges, the trucker must have a shipping permit issued by the District Agriculture Marketing Cooperative officer for that load of fruit and which must be signed by the District Agricultural officer representing the civilian government (Israel). To this permit must be attached a copy of an import license issued by the government of Jordan in Amman, also for that load of fruit. Many loads are mixed and contain more than one kind of fruit, more than one variety of fruit and/or more than one grower. A permit and import license must accompany each lot.

The transport cost charged by the truck owner on an average is 100 J.D. for a 10-ton load. It may be paid in cash by the product owner or deducted from his sales account. From this transport fee the truck owner or his driver must pay the export fee of 26 JD for each trip. He must also pay a VAT on the estimated value of the product and an income tax on his transport income. These are all Israel charges. There is no import fee into Jordan.

In Amman the truck delivers the load to the agent or commission merchant specified on the shipping document after passing through a check point administered by the Jordan Department of Agriculture. In the market the product is sold at auction, usually by each lot on the truck. From each sales account the agent's commission

(usually 4%) is deducted, as well as a city tax of 12 JD and any other charges that were not paid in advance. A tip is often deducted for the driver (5 JD) to cover meals and overnight lodging. The truck must return empty to the West Bank within 24 hours or pay a severe penalty imposed by Israeli customs.

Appendix No. 6



BEST
AVAILABLE

attachment 9.

INTERNATIONAL SYMPOSIUM SERIES

ECONOMIC DEVELOPMENT UNDER PROLONGED OCCUPATION:

THE WEST BANK AND GAZA

January 3 - 5, 1986

A STRATEGY FOR ECONOMIC DEVELOPMENT UNDER PROLONGED OCCUPATION: EMPOWERMENT AND ENTREPRENEURSHIP

Delivered by:

HAROLD W. DICK
COUNTRY REPRESENTATIVE
MENNONITE CENTRAL COMMITTEE
EAST JERUSALEM

ST. CATHERINE'S CO.
[illegible]

I INTRODUCTION

EMPOWERMENT AND ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT

The empowerment of the economic development process begins with people, not with capital, natural resources, skills, or infrastructure. This process finds its creative, energizing force in the human spirit, that fixes on an idea and then drives relentlessly to achieve an economic objective. This spirit is evident in the peasant woman from Soreif, who excels in producing quality needlework which will command a top price on the market and is also observable in the farm equipment manufacturer from Jenin who produces highly competitive agricultural machinery. An agricultural cooperative near Hebron displays this quality in providing competitively priced seedlings and olive oil press services to its members.

The empowerment of the Occupied Territories economy will provide a more secure financial base, which will allow Palestinians to feed, clothe, shelter and educate themselves, and enable them to enjoy their culture and religion in a manner consistent with the priorities they have set. Economic strength (empowerment) will allow Palestinians to develop structures and systems to stand fast under occupation. Palestinians themselves, must then decide how they will deal, not only with matters of social justice, but also with the distribution of income they gain from their increased economic power.

It is the contention of this monograph that a strategy for economic development needs to find its roots in the entrepreneurial model which is alive and remarkably vital despite the abundant constraints. Collective and private entrepreneurs, the flesh and blood of an economy, do not need to be taught the merits of self-sufficiency, but demonstrate resilience and vitality by their very existence. Too often development strategies have focused on such things as training, credit, subsidies, natural resources

The second constraint lies in the massive injection of remittance monies from abroad and from salaries earned in Israel, that skew expectations of Palestinians and make it difficult for a more authentic local economy to compete. These funds now provide the majority of the operating funds for the hospitals, universities, cooperatives, school systems and charitable societies. Externally generated funds have also been invested in personal consumption including houses, cars and optional consumer items. The sources of these funds are becoming increasingly insecure. They are vulnerable to cycles in the Israeli economy and are sensitive to the economic health and political inclinations of the Gulf region. Dependency and insecurity result because Palestinians are not in a strong bargaining position to ensure that these funds continue to flow.

In addition to dealing with these two constraints, any economic development strategy must start from the perspective that the market for products or services is already intensely competitive. There simply are too many opportunists earning money on the good ideas. Every car repair shop, blacksmith, cabinet maker and olive wood manufacturer is competing with somebody else down the street. This internal competition is further compounded by the pressure of 860 million dollars worth of imports from Israel and Europe.(2) These imports include everything from Greek olive oil, to Israeli clothing and food products, to farm machinery from Italy. These imports are of high quality. If Palestinians are to develop the productive sectors of their economy, they will need to develop a competitively priced, quality product.

Paulo Freire has stated: "Freedom is acquired by conquest, not by gift. It must be pursued constantly and responsibly".(3) Economic markets and freedom to pursue them will require vitality and perseverance. Some entrepreneurs in the Occupied Territories, both private and collective, have dealt

from the perspective of entrepreneurship and will consider the role of grants / credit, agriculture produce marketing and small business / industrial development. (5)

II GRANTS / CREDIT AND THE ENTREPRENEUR

THE IMPORTANCE OF RISK IN CAPITAL FORMATION

The entrepreneur thrives on the risks inherent in mobilizing capital. Nothing sharpens the acuteness of the senses and motivation more than being held accountable for the preformance of capital in a business enterprise. It doesn't really matter whether the capital is private, from lending institutions or from the government.

The blacksmith, who has all his own capital and some borrowed capital, tied up in stock and equipment must find ways to sell his product or face the prospects of losing his capital. It is this risk that causes him to work longer hours and produce the finest quality work he can. He then must develop contacts among farmers, contractors and engineers to ensure that his services and products will be considered. The Palestinian farmer is probably the quintessential risk-taker, annually gambling a large pool of his assets on fertilizer, irrigation, trellising poles, and livestock in anticipation of a good crop and superior prices.

The manner in which capital is mobilized will frequently determine how successfully it will impact the entrepreneurial process. The more accountable a person or a group is for its capital, the more rigour and discipline will be imposed to ascertain that a prospective venture is sound in the first place and then assure that no effort will be spared to make the venture profitable.

POTENTIALLY DESTRUCTIVE ROLE OF GRANTS

Grants, soft loans, loans with low interest rates and long grace periods

collective entrepreneurial will of the community.

Nothing was more important to the economic health of Zbeidat than a reliable water supply. The primary income generator for the village was their superb vegetable harvest, which depended totally on irrigation. In September of 1984 the village pump broke down just before the beginning of the new planting season. The people could not or would not find the resources within the village to replace the pump. Dependency had paralyzed them. In desperation they turned to the voluntary agencies and to the East Bank for funds. It was a time of economic crisis, since the life blood of the village was at stake. In the end the traditional pattern of dependency asserted itself with a number of agencies providing the funds for a new pump. The cycle of counting on funds from "somewhere", perpetuated itself.

The real empowering developmental issue was whether the village would begin to collect funds during the next eight years of anticipated life of the pump in order to replace it. Tragically, the lesson will probably not be learned. The will of the people to act collectively in their own economic interest has likely been compromised.

A seedling nursery

In 1984 approximately 650,000 olive seedlings were sold throughout the West Bank. They were supplied by approximately fifteen nurseries, both cooperative and private. The smallest nursery provided no more than 20,000 seedlings, while the largest provided about 200,000 seedlings at an average price of 30 piasters per seedling.

Recently a group of well intentioned, young agriculturalists petitioned a funding agency to provide the entire start up funds for a 150,000 - 200,000 olive seedling nursery. The individuals in the collective were not required to put up any of the money themselves. They were not being asked via a loan mechanism to be accountable for those funds, or for the viability of the enterprise. There was no financial risk for the people involved. The grant

the new producer organization could command whatever market it wanted because of flexibility in pricing. After considerable consternation and frustration had developed on the part of other egg producers, they came up with a rather ingenious, logical plan. They presented a scheme for subsidization to a second agency, so that they could compete in the marketplace with the new operation. The effect of grants on the risk taking entrepreneurial farmers was very disruptive. The ultimate irony, however, came when it was time for the organization to replace its chickens. Since they had not retained any capital to replace the chickens they had to again use grant funds. The organization had not become empowered. It had simply became more dependent.

There is a role for development money in the fostering of the entrepreneurial spirit. Sections III + IV will give examples of how it may potentially be employed in a more deft manner, so that it doesn't only subsidize existing production gluts, but creates new opportunities.

THE ROLE OF CREDIT

Ultimately credit accompanied by sound technical advice, is the method which will demonstrate the effectiveness of money mobilized in a particular venture. Not only will this method help give an authentic analysis of economic viability, but it will also ensure that the relationship between the source of the funds and the user of the funds will be unpatronizing, professional and filled with respect. Credit structures must use penalties, social pressure and legal action to ensure compliance, with the agreed upon uses of the funds. The authentic private or collective entrepreneurs understand these requirements, will respect them and be motivated by them.

Every effort, therefore, should be made to direct economic development monies into credit mechanisms. This will not only develop discipline in the financial marketplace, but also create structures and organizations

III AGRICULTURAL PRODUCE MARKETING AND THE ENTREPRENEUR

IMPORTANCE OF AGRICULTURAL PRODUCE MARKETING

It is substantially true to say that the survival of Palestinians on their lands depends to a large extent on achieving the effective and successful marketing of produce. Agricultural produce is an indigenous resource, where Palestinians can still signficiantly shape the production factors. There is also evidence to suggest that agricultural production can expand if markets can be found. Agriculture provides 24.8% of all jobs in the Occupied Territories and is the largest Palestinian controlled income generator.(10) The same entrepreneurial spirit that caused farmers to become more productive during the last ten years, must now also demonstrate itself in a search for new markets. This will involve considerable investment, acute attention to quality, sophisticated management techniques and marketing skills.

CONSTRAINTS / OPPORTUNITIES IN EXPANSION

Except for Gaza citrus, no packaging and grading facilities function in the Occupied Territories. One expert indicated that the fruits and vegetables of the Occupied Territories come to market in poor condition, not because there is something inherently wrong with the product, but because the produce has not been processed properly.(11) The Palestinian farmer is, therefore, left in a very poor bargaining position in the market. This represents an opportunity for a private entrepreneur or an entrepreneurial collective to increase the value of produce and bring additional revenue to the Occupied Territories.

The lack of packing and grading facilities is further negatively affected by the wooden boxes used for shipment. Presently the Jordanian Goverenment allows only wooden crates to cross the bridge. There is some

decided that the best way to assess the market would be to actually go to Europe and simply sell the produce of the Occupied Territories.

A presentation package was developed, which focused on the vitality of the agricultural sector, its technological innovativeness and the quality of the produce. It also featured the sophistication, skills and education of Palestinians in the Occupied Territories. Business contacts were made in England, Norway and Sweden. The trip was convened under the auspices of the Jericho Marketing Cooperative. The manager was accompanied by a marketing consultant and an economic consultant. The objective of the trip was simply to bring produce importers from England, Norway and Sweden to the Occupied Territories at their own expense, to explore the possibilities of developing a business relationship.

The marketing delegation called on fifteen different importers. The responses were virtually all favourable. The buyers were impressed with the quality of the produce, and the comparative advantage offerred by sun-ripened Jordan Valley produce, during the months of December to April. The only major questions were logistical and a number of people were willing to assist in solving these problems. They felt that a niche could be developed for produce from both Gaza and the West Bank. The "natural hot house" of the Jordan Valley presented an opportunity to diversify into crops grown specifically for the Scandanavian and British palate.

The objectives of the trip were met. Three different individuals came to the West Bank and Gaza at their own expense to meet with producers. They liked the quality of the produce and felt there was a sound basis on which to attempt a business relationship. Five orders were placed for produce from the Occupied Territories to be shipped to Europe.

A good deal of research took place to determine the proper packaging required and the route by which the produce could travel. Both the Jordanian

cost of the marketing trip. There would have potentially been a higher commitment on their part.

Although it represents significant risk this opportunity needs to be pursued. Not continuing with this or similiar initiatives suggests that the status quo will continue. Palestinians of the West Bank and Gaza will be stifled in the expansion of their agriculural sector. Little will be accomplished by further studies. Entrepreneurship is required, either collective or private which will invest in a modest packing facility and then secure the best packaging available. It will then ensure that all the value-added i.e. the extra profits from well-packaged and graded product, will be returned to the Occupied Territories. These individuals will then need to employ determination and resourcefulness to obtain the required permits and to solve the logistical difficulties. This is the kind of initiative that will allow Palestinians to break out of the strangulation of their agricultural sector; an indigenous Palestinian resource.

IV INDUSTRIAL DEVELOPMENT AND THE ENTREPRENEUR

CONSTRAINTS

Despite the decline of the industrial sector from 9.0% of G.D.P. in 1968 to 6.5% in 1980,[12] it has demonstrated resilience under powerful internal and external constraints in the absence of a benign government. The 4,020 metal products, textile, clothing, leather, food and beverage establishments represent a solid core of entrepreneurial will that provides employment for over 16,000 people.[13] The industrial sector is positioned to provide some leverage for the economy of the Occupied Territories, that would empower them in the inter-dependent regional economic relationship.

This vitality is even more noteworthy given the structural constraints described by Van Arkadie:

A development agency planned to encourage the introduction of a portable sprayer in the highlands of the West Bank, particularly for spraying pesticides on trees. No suitable sprayer was available from existing West Bank suppliers. The agency began to look outside the territories for such a sprayer. Eventually a firm in Israel developed a very simple spraying unit by mounting a three horsepower gasoline engine and a suitable pump on a metal frame with handles welded to the frame so that it could be carried.

In this case all the value-added that might have been earned by a West Bank metal or machine shop was lost. An opportunity was also lost to develop a West Bank production, distribution and service organization which would ensure that this fine piece of technology continued to be produced and sold.

The agency could have used its financial clout to not only effect technology distribution, but also develop a business opportunity to encourage the entrepreneurial spirit. It could have provided a challenge and an incentive to a metal workshop. This incentive could have been in the form of a preformance subsidy. The shop would be guaranteed a premium price for the first 30 units produced. There would have been a risk sharing incentive where the entrepreneur would have been guaranteed a return, if he developed an acceptable product. The development agency could have also provided technical design support.

An example from the garment trade will also illustrate the opportunity for creative development work.

Over 400 establishments are involved in the garment trade in the Occupied Territories. Approximately 80% provide sub-contracting services to Israeli entrepreneurs. The value-added from this production which relies on relatively un-skilled female labour all accrues to the Israeli economy.

jobs and improvements to the economy.

This section will conclude by drawing attention to an under-utilized resource that has much to offer the entrepreneurial spirit of the Occupied Territories. The business community, particularly the highly successful diaspora Palestinian business community has a great deal to offer in technical knowledge, potential joint venture capital and solidarity that is good for morale. It might be worthwhile for a development agency to bring delegations of entrepreneurs to the Occupied Territories to view the situation, exchange ideas and discuss business opportunities. These delegations could meet with both collective and private entrepreneurs. It would be particularly useful to draw on this expertise and investment potential as different individuals and groups are presently focusing on the potential for a variety of food processing ventures in the Occupied Territories.

It is essential that the development of the industrial sector be supported by design and technical advice. The Occupied Territories do not need more, but better, more innovative metal workers, garment makers, soap manufactures and food processors. However, this initiative can build on the entrepreneurial will in the 4,020 industrial establishments.

V CONCLUSION

In his book "Entrepreneurship for the Poor" Malcolm Harper underscores the importance of entrepreneurial will,

> *"It has become clear that, finance, raw materials, markets and buildings are not enough; business success requires the intangible quality of entrepreneurship, which can often enable somebody to obtain the necessary resources, without external assistance, while people without this quality appear unable to make effective use of the most lavish forms of assistance". (17)*

An economic development strategy for the Occupied Territories must be built on the intangible quality of entrepreneurship and root itself in people

FOOTNOTES

1. *Mohammad K. Shadid. "Israeli Policy Towards Economic Development Project in the West Bank and Gaza" (Paper presented at the second NGO meeting on the Question of Palestine, Geneva, Switzerland, September 9-12, 1985) pp. 25*

2. *Ibid., pp. 4*

3. *Paulo Freire, Pedadogy of the Oppressed (New York: The Seabury Press, 1970), pp. 31*

4. *David Kahan, Agriculture and Water in the West Bank and Gaza (Jerusalem: The West Bank Data Base Project, 1983), pp. 77*

5. *Note: The examples used in this paper will focus on West Bank, since the writer is unfamiliar with Gaza.*

6. *Michael Schulz, "The Port Sudan Small Scale Enterprises Programme", (Paper presented to workshop on the Development Approach to Refugee Assistance, organized by UNHCR and ICVA, Lusaka, Zambia, July, 1985) pp. 5*

7. *Ibid., pp.9*

8. *Kate Rouhana. "Economic Trap in the Territories", Al Fajr, November 15th, 1985, Vol. 41, No. 289, pp. 8*

9. *Ibid., pp. 9*

10. *Statistical Abstract of Israel. No. 35 for 1985. Jerusalem: Central Bureau of Statistics. pp. 725.*

11. *Ian Gibson interview carducted February 1984*

12. *Meron Benvensiti, The West Bank Data Base Project: A Survey of Israel's Policies (Washington: The American Enterprise Institute for Public Policy Research, 1975), p. 15*

13. *Statistical Abstract of Israel. No. 35 for 1985. Jerusalem: Central Bureau of Statistics. pp. 736 + 737*

14. *Brian Van Arkadie, Benefits and Burdens: A Report on the West Bank and Gaza Strip Economies since 1967 (Washington: Carnegie Endowment for International Peace, 1977) pp. 45*

15. *Charles Shammas, Unpublished study on Light Industry on the West Bank 1984. pp. 10*

16. *Ibid., pp. 11*

17. *Malcolm Harper, Entrepreneurship for the Poor (London: Print Power, 1984) pp. 5*

attachment 10

FINANCE AND MONEY WITH UNDEVELOPED BANKING

Paper for the symposium on 'Economic Development under Prolonged Occupation: West Bank and Gaza' Oxford, January 1986.

Laurence Harris*
Professor of Economics
The Open University
Milton Keynes MK7 6AA
U.K.

*This paper has been produced in the context of and with the support of the Open University's Development Policy and Practice Research Group and its Financial Studies Research Group. The fieldwork was carried out in relation to a study under the auspices of the British Council.

Finance and money with undeveloped banking

Laurence Harris
1985

When the West Bank and Gaza were occupied by Israel in 1967 one of the first actions of the new administration was to demolish the existing Arab financial and monetary institutions. In the West Bank, for example, the earliest Military Orders closed the 31 branches of Amman-based and other banks, imposed the authority of the Bank of Israel over all banking matters, made the Israeli shekel legal tender (jointly with the Jordanian Dinar) and imposed Israeli foreign exchange controls.(1) These actions to repress Arab financial institutions and to exercise Israeli authority in areas formerly controlled by the Central Bank of Jordan have had profound effects on subsequent financial and monetary conditions in the Occupied Territories and, through them, on their 'real economy' (in the sense of real saving, investment in physical capital and growth).(2) There is, however, little systematic knowledge of what those effects on the monetary and financial system have been. In this paper I consider some aspects of them. In Section 1, I describe the monetary and financial system that does exist; in Section 2, I outline an existing theoretical framework for analysing 'financial repression'; in Section 3, I relate the occupied territories' experience to that theoretical framework and examine the problems of money and finance in the West Bank and Gaza.

described except to the extent that grant finance overlaps with credit and financial intermediation.

1.1 MONEYCHANGERS

Moneychangers operate in every town in the Occupied Territories with, in most cases, a shop front, kiosk, or counter which carries out the most obvious part of their work, the exchanging of one currency for another. All engage in foreign exchange dealing at this level, but the most important fact is that many have also developed a wide range of banking functions. They operate as banks (or constrained or embryo banks) by taking deposits, transferring funds, clearing bills and cheques and giving loans.

There are, however, different types of money changers. They differ according to whether they are located in the West Bank, Jerusalem or Gaza; whether they were established before 1967 or subsequently; and whether they concentrate wholly on financial transactions or combine these with commodity dealing. Those which have in effect developed into banks are the largest; they were established before 1967, are based in the West Bank or Jerusalem, and generally hold only financial assets rather than non-monetary commodities. To analyse their significance I examine each aspect of their business in turn.(4)

1.1.1. CURRENCY EXCHANGE

Exchanging one currency for another is the foundation of the Moneychangers' business. It has flourished particularly because they disregard all exchange controls and are therefore able to buy and sell foreign exchange to Israeli citizens, residents of

In fact, however, the illegal currency dealing of the money changers is not normally prevented by the occupying authorities. But they do use the position of tolerated illegality to take action against moneychangers either on an arbitary basis or in connection with Israel's macro-economic policy. Examples of the former in recent years include the temporary arrest in Nablus of the W.Bank's largest money changer, and the confiscation of U.S. Dollars from time to time (one such incident is said to have occurred in Jerusalem in Summer 1985). An example of the latter was the temporary closure of the open transactions in dollars of Jerusalem money changers when Israel tightened its monetary policy and foreign exchange restrictions (although examples exist of transactions continuing through clandestine arrangements at that time).

Money changers determine their own exchange rates taking into account local market conditions and current and expected conditions in the foreign exchange markets of Europe and elsewhere. The current exchange rates on the world's foreign exchange markets provide the benchmark for the moneychangers' daily rates but the latter diverge from them in response to two forces: expected changes in the world's market rates and the current balance of demand and supply for individual currencies in the local market. The system by which large money changers set prices in line with these three forces is as follows. The day's exchange rate for spot transactions on international foreign exchange markets is obtained. Because, under occupation, it is impossible for money

Exchange rates are determined in this way by a small number of large money changers. It appears that smaller money changers follow their rates.

1.1.2 MONEY TRANSFERS

The transfer of funds between the occupied Territories, Amman, and foreign countries is integrally linked with the money changers' currency exchange and has been so since before the Israeli occupation.

The largest money changers have branches in the Occupied Territories, Amman and the Gulf. (Money changers permitted by the Jordan authorities to operate in Amman are in two categories: those which are permitted to have foreign bank accounts, and those which, without such permission, can only deal in bank notes).(6) In addition, they have a network of correspondents and agents which extends at least to the international financial centres in Europe and the U.S.A. These branches, correspondents and agents are the channel for moneychangers' money transfers. The transfers they make between centres outside the Occupied Territories (from the Gulf to Amman, or from Amman to Europe for example) are carried out through normal banking mechanisms debiting and crediting the moneychangers' accounts with banks there. But net transfers between Amman and the Occupied Territories take place by carrying or smuggling cash over the bridges, the crossing points into and out of the OTs. In general, there is a net flow into the OTs from Amman because the Occupied Territories have a balance of trade surplus with the East Bank. It is estimated that US$170 million crossed the bridges into the West Bank in the 5 months from March 1985.

cheque is high enough, the cheque is sometimes passed on again in settlement of another transaction and, to a limited extent, therefore circulates as money.

Transfers between the OTs and Amman are an important feature of the Occupied Territories' monetary systems since Amman is in effect, the local banking centre for the OTs.[7] But to a large extent the transfers effected by the moneychangers are over a much wider area and Amman is a staging post. Much money transfer business emanates from inflows from the Gulf and elsewhere to Amman, or to the OTs via Amman, as Palestine workers employed in the Gulf and elsewhere send their earnings as remittances to their accounts in Amman or to their homes. Similarly, moneychangers handle the significant outflow of funds from families in the OTs to children studying abroad. And moneychangers carry out many of the transfers that arise from the Occupied Territories' imports and exports.

The moneychangers' role in transferring funds depends on the existence of a high degree of trust and confidence. Agreements are oral and undocumented and, in any case, would not be legally enforceable; an individual who gives the moneychanger cash for transfer to his or her bank account or to a third party can only do so on the basis of trust, and equally the moneychanger accepts cheques in settlement on the basis of trust. This requirement limits the moneychangers' ability to expand or match the breadth that banks have in economies with similar levels of development but different political frameworks.

These high deposit rates are determined by competition for funds between different moneychangers and banks. They would not be sustainable if the borrowed funds were used for lending in the organised international markets. In fact, however, they are used for two forms of more profitable business: providing funds for the activity of money changing and money transfer itself, and lending within the occupied territories themselves. Moneychanging and money transfer yields profits in the form of commission (which is between 1 per cent and 1.5 per cent on large transactions in notes) and spreads. Lending yields profits in the form of interest.

Moneychangers lend short term at rates of up to 3 per cent per month for merchants and small businesses.(8) The loan arrangements vary but none are based on formal documentation. One type of arrangement is for a moneychanger to lend money to a merchant secured only by a post-dated cheque on Amman (dated 30 days later, for example) but that small degree of documentation is the maximum. Moneychangers' lending is mainly confined to thirty-day loans, but some loans for several months are given with repayment being by instalments.

1.1.4 EVALUATION OF MONEYCHANGERS

Since the occupying forces in 1967 closed Arab banks in the West Bank and Gaza money changers have carried out many of the functions of banks. The largest money changers, established before 1967, carry out a wide range of banking functions including currency exchange, money transfers, and borrowing and lending. Because of the

knowledge which acts to limit it.[10] Large moneychangers do compete with each other and their exchange rates and interest rates are constrained by this competition; each compete for business throughout the occupied territories (sometimes using the branches of Israeli banks to transfer funds to their own account from clients based in other parts of the Occupied Territories). But, although that competition exists, each moneychanger's business is constructed around a network of clients who know and trust the moneychanger's business honesty. Thus, clan relationships and historical business relationships play an important role in underpinning moneychangers' business and therefore limiting its expansion. These relationships are only unimportant for transactions such as over-the-counter currency exchange where little trust is involved, hence small moneychangers with little historical record have been able to proliferate since 1967 by confining themselves mainly to such transactions.

The importance of trust and personal knowledge rather than legally enforceable documentation severely limits the ability of moneychangers, even as embryo banks, to meet the financial needs of Palestinian development. The risk in such transactions gives rise to high risk premia on interest rates which can hinder investment in working capital and fixed capital. And in the occupied territories even the relatively high interest rates on deposits with moneychangers have not enabled them to attract the small savings of peasants and others outside of their established network of clan-based or other relationships of trust. Indeed, many ordinary individuals who are not engaged in trade or handling

TABLE 1.1

ASSETS AND LIABILITIES OF BRANCHES OF ISRAELI BANKS IN JUDEA, SAMARIA AND THE GAZA DISTRICT
1980 - 1984 (END OF PERIOD)

LIABILITIES					ASSETS							
		DEPOSITS OF THE PUBLIC				CREDIT TO THE PUBLIC						
GUARANTEES AND OTHER LIABILITIES (12)	GOVERNMENT EARMARKED DEPOSITS (11)	IN FOREIGN CURRENCY (10)	IN ISRAELI CURRENCY (9)	TOTAL (8)	GUARANTEES AND OTHER ASSETS (7)	OTHER (6)	FROM GOVERNMENT EARMARKED DEPOSITS (5)	TOTAL (4)	BALANCES WITH BRANCHES IN ISRAEL (3)	COINS AND BANKNOTES (2)	TOTAL (1)	
IS MILLION												
												1980
27.7	4.3	74.0	77.0	151.0	26.5	14.1	6.4	20.5	118.5	17.7	183.2	I
40.0	4.1	91.5	88.8	180.2	39.0	21.7	6.5	28.2	135.8	21.2	224.1	II
44.7	4.6	126.9	104.2	231.1	39.6	25.5	6.1	31.6	178.4	30.8	280.4	III
50.5	5.1	186.8	127.7	314.5	41.7	30.0	4.7	34.7	262.7	31.0	370.1	IV
												1981
81.5	4.2	217.6	153.4	371.0	57.4	43.3	5.3	48.6	310.4	40.3	456.7	I
102.9	3.8	328.0	192.2	520.2	81.2	67.2	5.0	72.2	427.3	46.2	626.9	II
149.7	3.6	432.5	215.2	647.7	121.3	85.1	5.5	90.6	531.0	58.1	801.0	III
155.0	3.2	511.3	213.3	724.6	132.8	51.1	3.2	54.3	620.0	75.7	882.8	IV
												1982
178.0	3.8	696.8	267.4	964.2	175.6	102.5	3.7	106.2	787.8	76.4	1146.0	I
165.2	2.6	932.9	279.3	1212.2	152.3	123.1	2.6	125.7	987.1	114.9	1380.0	II
256.8	12.6	1158.4	405.4	1563.8	242.5	232.7	12.5	245.2	1181.8	163.7	1833.2	III
351.1	9.9	1269.9	527.4	1797.3	303.8	217.9	9.9	227.8	1489.6	137.1	2158.3	IV
												1983
312.0	3.1	1399.0	571.2	1970.1	261.4	286.9	3.1	289.9	1491.2	243.1	2285.5	I
582.0	3.6	1827.0	698.2	2525.3	510.9	437.6	3.6	441.2	1775.5	383.2	3110.8	II
1025.5	6.8	2553.9	818.5	3372.4	823.0	661.9	7.4	669.3	2298.1	614.3	4404.7	III
1402.3	13.6	3857.3	1130.0	4987.3	1384.0	685.2	13.7	698.9	3644.0	676.3	6403.2	IV
												1984
2662.9	28.2	5846.0	1541.8	7387.8	2366.6	954.3	28.2	982.5	5550.0	1179.8	10078.9	I
3923.5	30.0	10226.9	2554.3	12781.2	3410.5	1805.6	30.2	1835.8	9976.1	1512.3	16734.7	II
7729.7	53.2	15982.2	3864.4	19846.6	6479.5	2871.6	53.2	2924.8	14943.2	3282.0	27629.5	III
11142.2	66.2	26028.5	6798.3	32826.8	10554.2	3459.6	66.2	3525.8	26429.0	3526.2	44035.2	IV
PERCENT CHANGE OVER PRECEDING YEAR												
206.9	-37.3	173.7	67.0	130.4	218.5	70.3	-31.9	56.5	136.0	144.2	138.5	1981
126.5	210.1	148.4	147.3	148.0	128.8	326.3	210.1	319.5	140.3	81.2	144.5	1982
299.5	37.0	203.7	114.3	177.5	355.6	214.5	38.1	206.8	144.6	393.1	196.7	1983
694.6	386.8	574.8	501.6	558.2	662.6	404.9	383.2	404.5	625.3	421.4	587.7	1984
PERCENT OF TOTAL ASSETS/LIABILITIES												
13.6	1.4	50.5	34.5	85.0	11.3	8.1	1.3	9.4	71.0	8.4	100.0	1980
17.6	0.4	57.9	24.2	82.1	15.0	5.8	0.4	6.2	70.2	8.6	100.0	1981
16.3	0.5	58.8	24.4	83.3	14.1	10.1	0.5	10.6	69.0	6.4	100.0	1982
21.9	0.2	60.2	17.7	77.9	21.6	10.7	0.2	10.9	56.9	10.6	100.0	1983
25.3	0.2	59.1	15.4	74.6	24.0	7.9	0.2	8.0	60.0	8.0	100.0	1984

SOURCE: QUARTERLY RETURNS TO EXAMINER OF BANKS ON ASSETS AND LIABILITIES.

Source : Bank of Israel, Annual Statistics of Israel's Banking System 1980-84 (Table I-6)

do not have the legal standing to be recognised by foreign banks in such business. From the banks' own point of view it is a significant and profitable part of their business and its significance has increased : the balance sheet item which incorporates these contingent liabilities rose from 14 per cent of total liabilities in 1980 to 25 per cent in 1984.

Nevertheless, Palestinian merchants state strongly that the Israeli bank branches give a poor service in arranging the finance of international trade. They quote many examples including banks' failure to arrange proper documents as agreed, and delays which lead to demurrage costs. Similarly they claim that the branches of Israeli banks provide an inefficient service in operating accounts.

Although the Israeli bank branches in the OTs as a whole have a monopoly of the lucrative commission business of formal financing of Palestinian international trade, and although each branch generally has a monopoly of bank business in its own town their profitability is not assured. In the West Bank, the Israelis claim that branches have been operating at a loss (although some of the loss is attributable to foreign exchange movements); in Gaza, the Israeli bank branch (Bank Leumi) serving the important rban centre, Khan Yunes, closed on 1st May 1985 because it was loss-making. The occupying powers have used the Israeli branches' lack of profitability as an argument against permitting Arab banks reasoning that the latter would also be unprofitable. But the Israeli branches,low profitability stems from specific factors including both their inability to attract deposits on a large

An agreement was signed in 1981 but since then it has not been implemented in full. Although the Bank of Palestine did reopen as a commercial bank in 1981 the agreement to permit operation of 'normal banking business' was abrogated even before the opening, for the authorities prohibited all foreign exchange business. Thus, all the bank's business is in Israeli Shekels, although customers' loan repayments are indexed to the US Dollar, and Egyptian currency is used as the unit of account for calculating the bank's annual balance sheet and revenue accounts. Moreoever, the agreement permitted the reopening of the Gaza City headquarters and branch with a commitment to future consideration of re-opening the bank's branches in Khan Yunes and Rafah. In the event, permission has not been given for the branches, although the closure of Bank Leumi in Khan Yunes has left that town without any banking facilities and in that context, in September 1985 some citizens of that town signed a petition demanding permission to reopen the Bank of Palestine branch.

Operating under these restrictions the Bank of Palestine has remained small. Its total assets were LE 4,677,855 at the end of 1984. Its deposits and other customer accounts (LE 3,230,753) were less than three times the bank's equity in capital and reserves (LE 1,245,760) (14). This is an extremely low ratio of deposits to capital for a commercial bank. For comparison, whereas the Bank of Palestine's ratio of deposits to capital was only 2.56, an accepted ratio in the USA is between 25 and 30.(15) This indicates that by 1984 the Bank of Palestine had not been able to attract deposits to the

? Under Israel

guarantees by persons (third parties) although it may require additional security on loans of over US$ 50,000. Although the Bank of Israel's Supervisor of Banks advises the Bank of Palestine to take mortgages as security for a wide range of loans, the Bank of Palestine does not generally do so.

The Bank of Palestine gives loans to agriculture at an interest rate of 12 per cent per annum which is less than half the rate charged by Israeli banks. With the rate of inflation existing until mid 1985 this represented a significantly negative real rate of interest. The Bank of Palestine reasons that loans at 12 per cent are justified since the opportunity cost of these funds is only 8 per cent; the latter is the yield that could be obtained if the funds were placed in deposits at the Bank of Israel instead of being loaned.

The Bank of Palestine regards its agricultural loans as serving the development of Palestinian agriculture in Gaza[17]. Recent examples are loans to finance new agricultural ventures: a nursery and seedling producer (approximately US$ 10,000); a rabbit farm; and sheep farms. And in 1983 the bank began to lend to citrus growers. Citrus production in Gaza has declined severely. Whereas the output through the Gaza Citrus Growers Union was 250,000 tons in the mid 1970s, it was 168,000 tons in 1980-81 and by 1983-84 it had declined to 146,000 before recovering to 161,700 in 1984-85[18]. The decline was due to many factors especially the obstacles the Israeli occupying power places in the way of exports; one factor is probably the absence of development finance for citrus growers, and the start of the Bank

1.3.2. ARAB INSURANCE

One Arab owned insurance company has been permitted to operate in the West Bank since the mid 1970s. Its principal business is general insurance, especially vehicle insurance to meet the legal requirements for vehicles, rather than life insurance. Its general insurance is secured by reinsurance in London.

Despite the low proportion of life insurance business, the company does carry out some financial intermediation by lending surplus funds. Its policy is to concentrate on short-term credit (as short as 30 days) but examples also exist of it giving medium term credit for up to three years. Its interest rates vary from 15 per cent to 25 per cent per annum.(19)

1.4 'INFORMAL' SOURCES OF RURAL CREDIT

Peasants in the West Bank and Gaza have had access to short-term credit from merchants and landlords. To a very large extent this credit is organised around merchant and marketing operations. Together with any moneychangers' credit to peasants these traditional sources comprise a network similar to the 'informal' or 'unorganised' credit markets that researchers have described in peasant societies throughout the world.(20) Short-term credit is connected to two uses which are distinct but sometimes overlap: seasonal credit to obtain inputs for the agricultural cycle, and consumption credit to obtain necessities in difficult times.

Merchants provide seasonal credit through a variety of relationships. Commission agents are a significant type in some areas; they are big merchants who sell the small farmers' produce on the wholesale market and take a commission as a percentage of their net sales.(21) The commission agent supplies the farmer with credit in kind (seeds, seedlings, fertilizers and other inputs) and money at the start of the season as part of the arrangement under which he sells the subsequent crop for the farmer on the market. In

the Jericho Marketing Cooperative, an organisation which has two main functions, certifying the origin of crops which are to be exported to Jordan (certifying they are not of Israeli origin) and providing seasonal credit for the production of such crops. Its funds for this credit programme come from finance provided by Jordan's central cooperative organisation: in 1984-1985 it received approximately ½ million Jordanian Dinars from this source and provided short term loans at low interest rates (interest rates as low as 3 per cent have been quoted).

The Jericho Marketing Cooperative's credit has not been sharply distinguished from grants or subsidies to its members for there has not been a strong management system of enforcing repayment in cases of default or delay.

A final element in the structure of rural credit associated with merchants and marketing consists of the village storekeepers who sell commodities for credit and give cash loans. (24) Their interest rates and conditions are not known, but in other countries such arrangements provide credit for people in great need at usurious rates.

1.5.2 HOUSING BANK

The Housing Bank is a specialised Jordanian bank, established in 1974, to give construction loans to building firms and owners.[26] Its loans on the East Bank are mainly secured by mortgages. It also finances foreign trade and carries out foreign exchange dealing. The bank has a large branch network and retail deposits, including remittances from workers overseas, are its major source of funds.

On 20 September 1981 the Housing Bank and the Jordan Palestine Joint Committee signed an agreement to arrange facilities for lending to residents in the West Bank. Between September 1981 and the beginning of September 1985 the Housing Bank has arranged 2150 loans to the West Bank totalling JD 13,800,000.

The Housing Bank's loans to West Bank residents are of three types:

1. Construction Loans. These are up to a maximum of JD 7000 for a maximum period of 15 years with a 2 year period of grace before repayments start.

2. Construction Finishing Loans. These are up to a maximum of JD 3500 for 15 years.

3. Repair Loans. These are up to a maximum of JD 2000 for 20 years with a one year period of grace

The Housing Bank is effectively acting as the administrative agent of the Jordan-Palestine Joint Committee in channeling finance to the West Bank and the credit should, therefore, be regarded as an element in the policy of support for steadfastness rather than an aspect of normal, commercial financial intermediation. The finance for the Housing Bank's loans to the West Bank is provided by Jordan's Central Bank rather than from the Housing Bank's own

However, the bank does lend money for West Bank projects, including hotel development, using funds placed with it for this purpose by the Jordanian authorities and allocating the credit in accordance with the authorities' directions. In addition, the Industrial Bank is now to receive a European Community loan of 2 million ECUs (European Currency Units) for lending to small scale projects on the West Bank. All loan agreements with West Bank residents are secured by guarantee from persons on the East Bank.

(b) restricting the interest rates financial intermediaries (especially banks) can charge to borrowers increases borrowers' demand for credit

(c) that discouragement of saving and encouragement to borrowing leads to an excess demand for credit (a reflection of capital shortage)

(d) the state acts in this way in order to enable it to control the direction of credit, instructing the banks which sectors and firms should receive priority in the allocation of scarce credit, and providing finance for investment projects from public funds

(e) if the state were to lift or change its regulations, interest rates would rise which would lead to increased funds being channelled through intermediaries from savers to enterprises with investment projects and the high rates would ensure that they are directed toward high-yielding projects.

The Israeli authorities' regulation of the Arab financial system in the Occupied Territories may be considered as an extreme form of financial repression, but it does not have all the characteristics described by the general concept. Its most extreme element has been the closure of foreign Arab banks and the fact that the branches of Israeli banks and the re-opened Bank of Palestine are (for different reasons) not able to act effectively as banks for the Arab residents. Thus, one writer notes 'the West Bank economy is virtually without a banking system' and 'this situation is almost unique'[30]; and the position in Gaza

financial activities such as rural moneylenders which, by their nature, are local and based upon specific social groups. Fragmentation is one of the most significant aspects of the Occupied Territories' economies and particularly its financial system. In the absence of effective banking within the Arab economy or significant investment funds injected by the Israeli state, financial fragmentation originates from other sources. In the next section I outline the causes of this fragmentation and the general relation between the financial repression model and the situation in the Occupied Territories.

Another implication of the theory of financially repressed economies is that where financial intermediation is restricted there is also a low demand for money relative to output and income or, in other words, a high velocity of money. In one version of the model this arises because the demand for money is highly elastic with respect to real rates of interest, so that if low or zero interest is paid on bank deposits (and zero interest on cash) the demand for money in those forms as an asset will also be low. Thus, interest rate restrictions on financial intermediaries reduce the demand for money since banks are the most significant forms of intermediary and the controls reduce the attractiveness of bank deposits. This effect is intensified by inflation for if nominal interest rates on money are low or zero, high rates of inflation make real interest rates negative. Its corollary is that if constraints on interest rates are lifted, the demand for bank deposits will rise and this increase in the stock of deposits means that the real stock of money

3.1 Fragmentation

The dominant characteristic of the monetary and financial system is that it is accommodating. It has developed to finance the existing structure of the Palestinian economy, therefore it accommodates the patterns of trade and production that have arisen under occupation. One corollary is that unless appropriate changes are introduced the system cannot provide the financial basis for the development of an autonomous Palestinian economy. A second is that because the system is accommodating it is fragmentary in two senses.

First, it is fragmentary in the sense that the 'real economy' of Palestine is fragmented and the financial and monetary arrangements reflect this. Thus, the fragmentation of the labour force since 1967 has been centrifugal with an initially high level of net emigration of workers; the workers' remittances that resulted (accounting for an estimated 32 per cent of GNP in 1982)[34] have been a significant element in the growth of moneychangers. Similarly, the obstacles to the integrated development of the domestic economies of the Occupied Territories have given rise to a high level of dependence on imports and exports and a high level of trading activity rather than productive activity; the operations of moneychangers, banks and other financial agents are similarly strongly characterised by their relation to trade.

Second, it is fragmentary in the purely financial sense. That is, it is a segmented and divided system which, depending to a large extent on personal trust, is built on networks of personal

Finally, in comparing the fragmentation of the financial system in the Occupied Territories with that described in the 'financial repression' model I have noted above that in the former it does not originate in interest controls over local banks (for an effective banking system is prevented more directly from operating) nor from privileged access of some Palestinians to investment funds injected by the Israeli state (since such funds do not directly enter the Arab economy in any significant amounts). In the West Bank and Gaza the differential access to credit which is the mark of fragmentation relates to differential access to the networks within which money changers lend, borrow and transfer money; secondly it relates to state funds from the East Bank (both grants and the East Bank sources of credit identified above) for different social groups have different degrees of access to such funds for housing construction, seasonal agricultural credit, or industry.

3.2 Money holdings

These forms of fragmentation have the effect that the economy has had a distorted monetisation. In one sense the Palestinian economy is highly monetised in comparison to other poor economies, for a very high degree of agricultural production is for sale rather than subsistence; a high proportion of personal income comes from working for money wages (locally, in Israel, in the East Bank, or elsewhere); and foreign trade for cash is a high proportion of economic activity. Moreover, residents of the Occupied Territories have a high degree of familiarity with dealing in different currencies (Israel, Jordanian, US) and using

directly relate to cash flows the nominal stock of money in the OTs (or defined to include deposits in Amman) is generally demand determined. However, there are periods when these demand forces are thwarted by exchange controls, increased regulation of cash flows across the bridges, or other interruptions. Thus, at times there may be an excess supply of money in the OTs (or an excess demand); the central bank of Jordan believed at one time that there was a danger of an excess supply of money ('a liquidity overhang') (37) in the West Bank itself but considers that this was gradually eliminated between 1975 and 1982 by increased capital flows from the West Bank to Amman.

There are strong reasons for thinking that the demand for money, and hence the amount of money held by residents of the Occupied Territories is low compared to other economies at similar levels of development. The factors influencing the demand for bank deposits and those behind the demand for cash are best considered separately, but in each case the relevant consideration is the attractiveness of this as compared to other assets such as jewellery, land and housing and, as with all forms of money a major element in that is its liquidity. Bank deposits with Israeli banks are relatively unattractive partly because of the difficulty of operating Dinar accounts with them and the rapid depreciation of Shekel accounts until mid 1985, but mainly because of the danger that the Israeli authorities may freeze or confiscate such deposits as a political act. Bank deposits in Amman have their attractiveness reduced by the absence of a branch network giving local access to them in the Occupied Territories, by the

view of the undocumented nature of transactions with money-changers, their illegality in the authorities' view, and the need for a high degree of personal knowledge and trust, it is probable that their financial intermediation is not quantitatively great.

Other sources of credit in the Occupied Territories are not generally financed by funds the lender has borrowed. Some, such as merchants' credit to village households, or commission agents' seasonal credit to farmers are financed out of the lenders' own capital. Others, such as the credit advanced by the (Amman based) Housing Bank for house construction are financed by outside funds provided as part of the 'steadfastness' policy.

Low money holdings and low financial intermediation appear to correspond to the McKinnon-Shaw model's predictions. In that model, however, the explanation for low money holdings would lie partly in the high rates of inflation in the W.Bank and Gaza which have produced negative real returns on some money holdings. But this argument does not apply directly to the Occupied Territories because a special characteristic of their monetary system is that they have a plural monetary standard, with both Israeli Shekels and Jordanian Dinars being widely used.(40) In addition, US dollars circulate freely.

In part this is the effect of the occupation regulations governing legal tender for both Jordanian Dinars and Israeli Shekels are counted as legal tender in the West Bank. But the plural standard applies also in Gaza and East Jerusalem where the occupation

in the broad term 'lender of last resort'. The counterpart is that it supervises the safety of the banks' a and finance houses' operations ('prudential regulation') and it regulates their effect on the economy's total money supply or credit ('monetary control'). The Occupied Territories do not have such a central authority.

The Bank of Israel exerts the authority of the central bank over the Israeli banks with branches in the Occupied Territories. It also supervises and regulates the operations of the Bank of Palestine although it is doubtful whether it would act as lender of last resort to ensure that bank's stability. But the money changing and money transfer system in the Occupied Territories, and the major sources of credit are outside its control. The central bank of Jordan has some authority over moneychangers to the extent that it is the licensing authority with power of enforcement over their Amman branches, but this has only a marginal effect, if any, on operations within the Occupied Territories. The occupation prevents the central bank of Jordan exerting any direct control, regulation or supervision of the monetary and financial affairs of the Occupied Territories.

The absence of a legitimate state with a monopoly of authority over the monetary and financial system (through its central bank of central authority) is the most fundamental obstacle to the system operating effectively. Muhammad Talat-Harb expressed very strongly the need for a central bank in furthering national economic development and national independence (in the context of Egypt in 1920): 'Each country must pursue its own

The absence of a state with responsibility for economic development as a whole means that the credit that is available under the present system is not directed toward areas of need identified as priorities for comprehensive development. An independent state's development plan would, by contrast, be able to guide credit to areas which are judged to have a high priority. In this respect, the implication of the 'financial repression' model that the free development of a banking system could allocate financial capital more rationally than the state is inappropriate. The scale of the economic transformation required in an independent Palestine can only be co-ordinated through development planning. The absence of a unified monetary standard for the Palestinian economy is a severe obstacle to economic development which is a direct corollary of the absence of an independent state and central bank.

First, the economy's reliance on the circulation of two or more currencies leads to a diversion of resources toward the business of money changing. Although this is carried out with a high level of efficiency, the resources used by the money-changers themselves and by other enterprises (their customers) calculating their best monetary deals are considerable. Moreover it can encourage a business orientation which sees the possibility of making money out of money dealing as more significant than the possibility of profiting from producing and investing in production: a mentality in which knowledge of the exchange rate acquires greater significance than calculations of productivity rates.

NOTES

1. Military Orders 7, 9, 21, 33, 76, 83, 93, 94, 295, 299, 823 relate most directly to the occupying power's control of finance.

2. The principal concern of this paper is the financial and monetary system and its effect on the 'real economy', but the relationship is two-way with the 'real economy' also influencing monetary and financial developments.

3. The analysis in this section is based upon interviews conducted in Jordan, the West Bank, Gaza and Jerusalem in September 1985. The fieldwork was related to a study conducted in that month under the auspices of the British Council.

4. The information on which this sections's description of money-changers is based was obtained from independent interviews with two large moneychangers and one medium-sized moneychanger in the West Bank and Jerusalem. It was supplemented from interviews with business people who are their customers, with Mr. M. Shukri, Deputy Governor of the central bank of Jordan, and others.

5. A moneychanger believed to be the largest on the West Bank gave the following example in mid September 1985. 'If today's Dollar/ Deutschmark rate in Europe is 2.84, I would deal at a $/DM rate of 2.86 - 2.87 (a one point spread).'

6. Interview with Mr. M. Shukri, Deputy Governor of the Central Bank of Jordan.

7. Egypt has played some historic role at a local banking centre for residents of Gaza, but its significance in this respect is small compared with Amman.

15. The 1984 consolidated balance sheet of the Bank Hapaolim shows a ratio of 68.8, Examiner of Banks, Annual Statistics of Israel's Banking System 1980-1984, Jerusalem, 1985, p.28.

16. ibid

17. Interview with Mr. Hashem Ata Shawa, Chairman.

18. Data supplied by Mr. Hashem Ata Shawa from the records of the Gaza Citrus Growers Union.

19. This information is based on interviews with Mr. Hadi (representing the company) and an industrialist.

20. The classic study of such 'unorganized' markets is U. Tun Wai 'Interest Rates Outside the Organized Money Markets of Under-developed Countries', IMF Staff Papers, Vol. vi, No.1, pp 80-125.

21. The information on the role of commission agents is based on S. Tamari and R. Giacaman, Zbeidat: The Social Impact of Drip Irrigation on a Palestinian Peasant Community in the Jordan Valley, Documentation and Research Centre, Birzeit University, 1980.

22. S. Tamari, 'Building Other People's Homes', Journal of Palestine Studies, Vol 41, Autumn 1981, p.44.

23. Interview with Mr. Shehadeh Djajani.

24. S. Tamari, op. cit., p.57.

25. The information in this section is based on interviews with Mr. Kemal, General Manager of the Arab Bank, Nablus; Mr. Midhat Kanaan, General Manager of the Amman-Cairo Bank, Nablus and Mr. M. Shukri, Deputy Governor of the Central Bank of Jordan.

26. Information based on interview with Mr. Abdul Rahman Saleh, Housing Bank head office, Amman.

27. Information based on interview with Mr. Ziyad Annab, Industrial Bank, Amman.

Information based on discussion with Mr. Shehadeh Djajani, Community Development Fund, Jerusalem.