

~~MAY 6 1971~~ ~~R90~~

~~NOV 17 1976~~ ~~R17~~

~~MAY 22 1971~~ ~~R18~~

~~NOV 3 1976~~ ~~311~~

~~JUN 10 1971~~ ~~R4~~

~~JUN 23 1971~~

Boys' City
Central Lake.

THE IMPACT OF THE RURAL THRIFT AND CREDIT
COOPERATIVE SOCIETIES ON THE TRADITIONAL
SOCIAL AND ECONOMIC STRUCTURE OF RURAL
JORDAN--A STUDY OF THREE VILLAGES

By

Ishaq Yacoub Qutub

AN ABSTRACT OF A DISSERTATION

Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of

DOCTOR OF PHILOSOPHY

DEPARTMENT OF SOCIOLOGY

1966

ABSTRACT

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Sociological and anthropological studies have dealt with the investigation of the influence of modern technology and institutions on the traditional social and economic structure of rural societies. Cooperative societies of various types have made significant contributions in the socio-economic development of less developed countries and peasant societies in particular. Cooperatives have been considered as agents of change introducing technology and new systems of operations which gradually replaced various aspects of traditional systems. Cooperatives have also been viewed as a link between traditional and modern practices in rural communities.

This study aimed at investigating the impact of rural credit and thrift cooperatives on the traditional social and economic structures of rural Jordan in three villages representing categorically three sociological classifications of Jordan villages. The data collected during 1963 and 1964 employed field research techniques and relied on a questionnaire of 140 questions, personal interviews and participant observation. The sample covered 180 villagers members in the local cooperatives and non-members. The questions pertained to the social background

characteristics, the economic position, utilization of co-operatives, and cooperative ideology of respondents.

In order to evaluate the impact of cooperation on rural societies, the study treated, as background information, the general characteristics of the country of Jordan, sources of credit available for farmers, the structure and function of the cooperative movement in Jordan, with special reference to rural cooperatives. At the conclusion, a few recommendations were given in view of the findings.

The study revealed the following: 1) the cooperative credit and thrift cooperative societies, as modern institutions of credit and saving, have been accepted in the village communities and have become one of the socio-economic institutions already existing. Cooperatives have created new leaderships other than kinship affiliation and loyalty. 2) Despite their short period of existence, cooperatives have: a--succeeded, partially, in decreasing dependency of villagers on moneylenders and financiers, b--introduced a new method of saving which gained preference over traditional methods, and c--provided new experiences to villagers in modern practices and operations. 3) The impact of the cooperative on the social and economic conditions of the villagers who joined the local cooperatives is proportionate to the degree of utilization of loans as well as other services in productive areas. 4) There is a discrepancy between the cooperative ideology of villagers and actual practices in the affairs and activities of the local cooperative.

This pioneer study in the Near East region serves as a first step towards further extensive research in the field of cooperation in developing countries.

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To My Parents

ACKNOWLEDGEMENTS

To Dr. John Donoghue, my major advisor, I wish to express my deep appreciation for the guidance, help and encouragement he has given throughout the writing of this dissertation.

I am indebted to Dr. Waisanen, Dr. I. Ishino, Dr. J. Beegle, and Dr. J. McKee, members of the Guidance Committee, for their deep interest and encouragement.

My special appreciation is given to the Minister of Social Affairs and Labor of Jordan, the District Directors, Cooperative Staff Members, and last, but not least, the respondents in the villages of Aboud, Qibya and Al-Huson for their valuable cooperation, without which this dissertation would not have been accomplished. To the Director, Chairman and members of the Board of Directors of the Jenner-Gren Foundation, my deep thanks and gratitude for the grant of \$300 which contributed immensely to the facilitation of the field research undertaken in this study. The Jenner-Gren Foundation's grant is viewed as encouragement for an Arab who seeks to offer to social scientists a humble contribution--a pioneer study in the field of cooperation.

Finally, may I extend my grateful appreciation to Mr. John LaMazza, Miss Rajabieh Rajab and Miss Abigail Dean for their indispensable aid in preparing this dissertation.

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GLOSSARY OF TERMS

JD	Jordanian Dinar, equivalent to \$2.60 (JDs-plural).
Flaster	A Jordanian coin, equals one-hundredth of a Dinar.
Madafe (h)	A guest house in the village. A popular and traditional gathering place, also used to house travelers and guests.
Moqayada	A barter system used in villages.
Deinah	A loan on which an interest fee is charged.
Tala'	A barter system used in villages of the East Bank by Moslems instead of charging interest.
Fayez	The rate of interest charged in Deinah.
Mouraby	A moneylender, a financier. Plural Mourabeen (is)
Yemen	A political sect originated in Saudi Arabia before the advent of Islam. Very weak in present era.
Qays	The opposing political sect to Yemen. The reference to Qays and Yemen is that two brothers with these names became enemies and each has had had his followers ever since.
Hamula	A kinship group consisting of several Dars (Plural - Hamulas)
Dar	(Plural - Dars) An extended family in the village.
Imam	Moslem Priest - a religious title indicating religious leadership
Khoury	A Christian Priest
Mu'azen	A person who calls Moslems, from the top of a Mosque or a Minaret, to come to pray five times daily.

CHAPTER I

THE PROBLEM AND METHOD OF STUDY

Recently, national movements including nationalism, economic land reform and other forms of political, social and cultural movements have--directly or indirectly--affected the rural population of the Arab countries. The concern of this study will be focused on an important national economic movement in one of these countries, namely Jordan, which is located in an area known as "The Near East".

I. THE PROBLEM

This study aims at investigating the role of the Rural Thrift and Credit Cooperative Societies, as part of the cooperative movement, in three selected villages in Jordan; and how such societies affected the traditional ways of credit and saving. The study will be a problem-oriented one, aiming at the inquiry of: 1) whether the traditional forms of transactions meet the current needs of the villagers for credit, and 2) whether the Rural Thrift and Credit Cooperative Societies meet the current actual and/or the "felt" needs for credit better than traditional forms. Due to the significance of the Rural Thrift and Credit Cooperative Societies and their immediate relatedness to the rural population, this study will be focused on the impact that these

Societies have on the traditional social and economic structures in rural Jordan.

The Cooperative Movement in Jordan had its beginning during the Government of British Mandate in Palestine. It became legitimized in the year 1952 under Jordan Government sponsorship and was enacted within the auspices of the Ministry of National Economy; then, in 1956, it was attached to the Ministry of Social Affairs.

Since its establishment in Jordan the movement has been growing steadily in size as well as in diversity of purpose and function. This growth is a result of the realization on the part of the Ministry of Social Affairs, the Council of Ministers and the farmers of Jordan that the villagers need to raise their agricultural production and be able to adequately and profitably market their products.

In addition, the cooperative movement encompasses other forms of cooperative societies functioning in towns and cities. These cooperatives tend to influence the rural population only in a remote and indirect way, except, perhaps, for the agricultural production and marketing societies.

In addition to rural credit and thrift cooperatives, the following societies are registered in the Department of Cooperative Development: Urban Thrift and Credit, Agricultural Production and Marketing, Housing, Consumers, Artisans, Handicrafts, Health Insurance, Mutual Benefit, Higher Education, Transportation, Multi-purpose, and School Saving Cooperatives.

For the purposes of this study it is assumed that a "cooperative" is a legally incorporated body with an economic purpose common to all its members; it is a society of persons and services rather than of capital, and is open to all who may benefit by its activities; it is democratically controlled by its members, with provision in the rules for roughly equal contributions of capital per member and for the equitable distribution to them of any profits arising from the undertaking. In conjunction with their economic purpose, cooperatives aim also at improving the general and technical knowledge of their members.

Most Jordanian villagers live in close village communities reinforced by tribal emotional ties and family traditions of mutual aid. They do not look particularly to their cooperative for the development of closer relationships. The contribution of cooperatives to social progress is for the most part indirect. For example, as soon as more money comes into a community, standards of housing, clothing, and nutrition begin to rise. Another indirect influence of cooperatives on the social structure and organization of villages is the creation of democratic leadership and membership not traditionally linked to a kinship line. Thus new groups and loyalties are established through a new system of cooperation.

Since Jordan depends to a great extent on agricultural production, the cooperative societies' overall contribution

to rural economic development can be categorized as follows:

1- Increase in the value of agricultural production by way of crop improvement, adoption of mechanization and technical services, increase in crop and livestock production, all linked to marketing.

2- Establishment of a rural cooperative credit and thrift system. The object of short-term cooperative credit is to provide the small farmer or craftsman with the means of buying the requirements of production, e.g. seeds, fertilizers, tools, raw materials, etc.

3- Cooperation and increase of spending power. As a result of securing loans for agricultural improvement, the villagers will be able to spend more on personal effects and other utilities. This increase of spending power can best be satisfied by establishing consumer cooperatives which, with increased and more efficient services are bringing more money into Jordan villages. The value of this in terms of raising standards of living in the village depends a good deal on how the money is spent or saved and may be the most valuable of all.

4- Education in democratic principles and settlement of differences of opinion by discussion and debate on the viability, planning, budgeting, and thrift in its fullest sense, and

5- Elimination of unproductive indebtedness burdens and cut-down on traditional spending.

Theoretical Background. Anthropologists and ethnographers have recorded massive field data describing how credit transaction occurred among primitive and peasant societies.¹ Recently, numerous writers have dealt with studies related to capital saving and credit in peasant societies in different parts of the world, e.g., Rossel Island, New Britain, South Persia, Laos, India, Malaya, Hong Kong's New Territories, Feiji Islands, New Zealand's Far North, Java, British Guiana, and among the Mauritian Indians.²

¹ Such studies include the works of Karl Polanyi, Melvil Herskovities, Harry Pearson, Margaret Mead, Conard Arnesberg, Robert Redfield, Oscar Lewis and many others.

² Raymond Firth and B. S. Yamey, Capital, Saving and Credit in Peasant Societies, Chicago: Aldine Pub. Co., 1964. This book includes the following articles: Scarlett Epstein, "Personal Capital Formation among the Tolai of New Britain", Fredrik Barth, "Capital, Investment and the Social Structure of a Pastoral Nomad Group in South Persia", Joel Halpern, "Capital, Saving and Credit in Highland Orissa (India)", F. G. Bailey, "Capital, Saving and Credit in a Malay Peasant Economy", Marjorie Topley, "Capital, Saving and Credit among Indigenous Rice Farmers and Immigrant Vegetable Farmers in Hong Kong's New Territories", C. S. Belshaw, "Institutions for Capital Formation and Distribution among Fijians", Joan Metge, "Rural Local Savings Associations (Maori Komiti) in New Zealand's Far North", Alice Dewey, "Capital, Credit and Saving in Javanese Marketing", Burton Benedict, "Capital, Saving and Credit among Mauritian Indians", Bert Hoselitz, "Capital Formation, Saving and Credit in Indian Agricultural Society", Raymond Smith, "Capital, Saving and Credit in a Guatemalan and a Mexican Indian Peasant Society".

A number of sociologists have been concerned with the organization, structure, and function of rural economic institutions in rural areas. Major studies have been concerned with underdeveloped countries.¹ The latter type of studies included numerous empirical research done on rural societies of the United States, Japan, China, South East Asia, India, Pakistan, African Territories, and a very few countries of the Near East.

The approach that this study will attempt to follow is the assumption that the Rural Credit and Thrift Cooperatives serve as a device by means of which traditional forms of social relationships, centered around a credit system, are mobilized so as to fulfill non-traditional economic functions.

Clifford Geertz defines the credit association as an "intermediate" institution growing up within peasant social structure, to harmonize agrarian economic patterns with commercial ones, to act as a bridge between peasant and villager's attitudes towards money and its uses. He argues that "the credit associations serve as an educational mechanism in terms of which peasants learn to be traders, not merely in the narrow occupational sense, but in the broad cultural sense." The theoretical as well as the practical interest of the association lies in its ability to organize traditional relationships in such a way that they retain

¹ Examples of such studies include the work of: MacIver, Brunner, Beals, Hoffer, C. Loomis, A. Beegle, A. Bertrand, I. Sanders and others.

the good of the old and reinforce it with the most suitable of the new.¹

This study will attempt to address itself to the following statements of hypotheses:

1. The idea of organizing a thrift and credit cooperative does not occur spontaneously among its villagers in the first instance. Cooperatives are formed after a good deal of explanation and demonstration coming from sources other than the village.

2. Membership in a cooperative society does not cause a strain between the members and the non-members in their traditional interaction.

3. Membership of a villager in a cooperative society is motivated more by kinship influence than independent initiative and the choice of the villager.

4. The traditional forms of credit and savings in villages where rural thrift and credit cooperative societies established were gradually being transformed by modern forms of credit.

5. Members of a rural thrift and credit society have a tendency to accept and adopt modern forms of credit more than non-members.

6. The modern cooperative credit system has a tendency to meet the current "felt" needs for credit among the villagers.

¹ Clifford Geertz, "Economic Development and Cultural Change" Vol. X, No. 3, pp. 241-263.

7. A villager who is a member of a credit cooperative is less likely to seek credit from outside sources other than the credit cooperative in which he is a member.

8. The conditions and terms of the modern credit cooperative tend to provide attraction and encouragement for the villagers and induce them to request credit from the cooperative.

9. Credit and thrift cooperatives tend to contribute to the improvement of the economic and social conditions of the villagers who are members in these cooperatives.

From a sociological point of view, Jordanian villages can be divided primarily into three types: a) the Trans-Jordanian villages situated on the East Bank of River Jordan, b) the Palestinian villages located on the West Bank of River Jordan, and c) the Front Line villages. Each has a distinct social structure and is in itself unique.

Trans-Jordanian Villages The Trans-Jordanian villages include the great majority of the communities located in that part of the nation East of the Jordan valley. This area was formerly known as Transjordan, and is now commonly called "The East Bank". Most, if not all, of the inhabitants believe that they can trace their ancestry back to the nomadic tribes that roamed the area centuries ago. The village organization in these communities is, by and large, a tribal organization. Many of the people are still semi-nomadic, and their way of life is colored with the Bedouin life which has existed for centuries.

Palestinian Villages The Palestinian villages encompass those communities located West of the Jordan Valley, formerly Palestine, which became annexed to Trans-Jordan in April 1950. This area is generally called "The West Bank". The Palestinian villages have been in existence for much longer than the Transjordanian villages and have been more exposed to westernization. The inhabitants of the Palestinian villages have divorced themselves, to a large degree, from tribalism and nomadic life. They have settled permanently in their villages for some time, and their primary occupation is land cultivation. They have been in contact with western culture and technology.

Front-Line Villages The other type of Palestinian village is technically called, according to the United Nations Relief and Works Agency, the Front-Line village. The Front-Line village is composed of Palestinian villagers and is situated along the Armistice Line separating Israel from Jordan. There are over fifty villages scattered along the North-South Armistice Line. Most of the land owned by the inhabitants of these villages has been occupied and claimed by Israel. Dispossessed of their lands, most of the villagers have suffered extreme poverty and have not received any aid from the United Nations because they do not fall in the classification of 'refugees'. Located close to an area where fighting erupts on occasions, these villagers have found it necessary to make certain cultural changes to

reorganize the structure of community life.¹

Each of these three village types has its own peculiar character, and each, therefore, should be studied separately. Cooperative societies exist in all three areas with differences in the quality of contributions to the members and to the local community. The social structure and components of the social system in each of the mentioned types is different despite the prevailing common value orientation.

II. THE METHOD OF STUDY

A. Design of the Study The goals of the study were two: 1) to determine whether the traditional forms of credit meet the current needs of the villagers and, 2) to determine whether the rural credit and thrift cooperatives meet the current actual and/or the felt needs for credit better than the traditional forms. In setting these goals, other goals were envisaged--the cooperative ideology among villagers and the extent to which the villagers are aware of cooperative ideals, education and management, which are relative factors in the functions of cooperatives.

To achieve the goals of the study, four classes of information were gathered about the villages in question: 1) the social background of villagers, 2) the economic position and credit methods before and after joining the cooperative,

¹ Paul Phillips, The Hashemite Kingdom of Jordan, Chicago, 1954, p. 71, cited in A Jordanian Village, by Abdullah Lutfiyya, Moutton, Netherlands, 1966, pp. 13-14.

3) extent of benefit, utilization and attitudes of villagers towards the cooperative, and 4) the cooperative ideology of the villagers.

B. Contents of the Interview Schedule The contents of the interview schedule include the following:

1. Social Background. The social background characteristics included religion, education, family size, marital status and occupation. Members and non-members were asked the same questions pertaining to this class of information.

2. The Economic Position. The economic position included investigation of the amount and sources of income prior to, and after, the establishment of the local credit cooperative. The year 1957, when the cooperatives were established in the villages under study, was used as a comparative base for reflecting any changes in the economic position of respondents. Sources of income considered such income coming from agriculture and non-agriculture. Also categories of expenditure, e.g. farming, labor, household, travel, and others were included. Although there are limitations to this consideration, because farmers' economic position have been more affected since 1947, following the Arab-Israeli conflict, the concern here was focused on changes occurring as a result of joining the cooperative. Another limitation is that cooperative credit for producing purposes sometimes take a number of years before a farmer can harvest the yields. As for consumption loans, the results are felt in a relatively short time.



3. Utilization of Cooperatives Questions were used to assess the extent the villagers utilize the credit received from the cooperative for such projects and accomplishments achieved as a result of this credit. Villagers were asked to express freely their feelings and attitudes towards the cooperative and how it was meaningful to them. The concern of villagers in participating in the cooperative's activities, such as attending meetings, participating in educational programs, was tapped.

4. Cooperative Ideology.¹ Statements were given in the questionnaire in order to obtain villagers' ideas on modern forms of cooperation. Other questions pertained to whether villagers intended to patronize the local cooperative for future credit, and if not, why.

C. The Sample

1. Selection of Villages. For final selection of one village in the East Bank, West Bank and the Front Line, the writer made ample consultation with officials in the cooperative movement. The criteria of selection were to include the existence of a rural credit and thrift cooperative prior to 1958, the village population not to exceed 4,000 persons. Other criteria, such as any peculiar characteristics of village population and means of transportation to the village were considered. Accordingly five villages were selected in each of the village typologies to represent

¹ The statements were derived in part from the MSU Business Ideology List.

1. The first part of the document is a list of the names of the persons who have been named in the document. The names are listed in alphabetical order.

the village classification.¹

The following villages were listed as possibilities for the study:

a) The East Bank villages included: Kefer Jayez, Sana Ar-Rusan, Huwarah, Al-Huson, and Sweileh.

b) The West Bank villages included: Dura, Singil, Beir Zeit, Aboud, and Bedeya.

c) The Front-Line villages were: Talluza, Qibya, Beit Sahour, Al-Jib, and Naba.

After visiting each of the above listed villages and following ample consultation with cooperative officials, the following were finally selected to represent rural Jordan: (1) Al-Huson in the East Bank, (2) Aboud in the West Bank and (3) Qibya in the Front-Line. It was necessary to obtain written approval from the Minister of Social Affairs and Labor, the Manager of the Jordan Cooperative Central Union, the Chief District Police, the Governors of the respective districts and the Mukhtars prior to starting field research in the selected villages.

2. Limits of Population of Sample. For the purpose of the study a sample representing between 25-50 per cent of members in the local cooperative and nearly two percent of the village population--non-members--was considered sufficient.

3. Sampling Design. In each of the three villages

¹ cf. pages 8-10.

the population consisted of numerous cultural and kinship groups, e.g., religious sects, and various Hamulas. As much as possible the sample included cases from those groups in order to note any significant differences which might have a bearing on interrelationships within the cooperative.

4. Gathering the Data. Although the Government had no direct stake in the study, the Ministry of Social Affairs and Labor did give its permission for the interviewing to take place. Indeed it was cooperative enough to allow District Cooperative Field Organizers to accompany the writer during the introductory visits. Two field Organizers assisted in the interviewing of ten villagers. The rest of the interviews were done by the writer himself. Before starting actual interviews, a pre-test was made, and corrections were made on a few questions. The data gathered were in Arabic. It was found that if the recording of responses was made in English, it might invite the suspicion and distrust of the villagers.

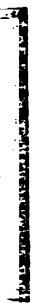
5. Choosing Respondents. In choosing respondents from the cooperative membership, the goal was to represent all religious sects and the kinship groups. This applied also to villagers who were not members in the local cooperative. In all cases villagers who were present in the village during the process of the study were interviewed. Some

villagers objected to being interviewed and thus were excluded from the list.¹ It was necessary to cancel interviews of some members in the cooperatives in cases where a father and son were members. The sons were excluded because the property, income and expenditures were handled by the father. In such cases the father was included in the interview.

6. Method of Inquiry. Prior to field study the writer reviewed the records and documents pertaining to the cooperatives, traditional social organization, traditional forms of credit, community development projects and other services provided in the rural areas of Jordan.

The use of open-ended questions proved to be most useful in this study. Observations on the villagers' way of conducting business, cooperative meetings and way of eating, sleeping, congregating were recorded. Also, informal interviews were made at the Madafes, under olive trees, in the grocery shop and in the yard of the local mosque or church. The writer was aware of the attitudes of villagers towards Government personnel; therefore, he chose to wear simple clothes, speak village dialects, sleep on the floor, eat with fingers, and even smoke their blend of tobacco. Such an adaptation reflected a favorable impression towards the writer, which, in turn was a contributing factor in

¹ Those counted about 10 in the three villages.



gaining the confidence of villagers.

7. Major Variables. Major variables were: traditional forms of credit system, modern forms of credit system, uses of credit money, traditional village social and economic structures, joining the cooperative, indebtedness before and after joining the cooperative, how the cooperative reduced or increased indebtedness. Additional variables were: age, family size, place of birth, major and minor occupations, status in the cooperative, degree of education, marital status and position in the community.

In this thesis the Second Chapter will provide an introduction to the country of Jordan, its people, resources and major problems. Chapter Three will provide a picture of the cooperative movement in Jordan with special treatment of rural cooperatives. Chapter Four will discuss the forms of agricultural credit for farmers. The following three Chapters (Five, Six and Seven) will discuss the role of the rural credit and thrift cooperatives in the villages of Aboud, Al-Huson and Qibya respectively. Concluding remarks and recommendations will be given at the end of this thesis.

D. Problems Encountered in the Study The following Problems were encountered in conducting this study:

1. Preparing a schedule in English, then translating it into Arabic, then writing up the findings and results in English. This process was found to be necessary

under the prevailing circumstances, although it was time consuming.

2. Political uprising in the spring of 1963, followed by a three-week period of curfew which caused a postponement of village visits.

3. Lack of qualitative data on villages considered for the study and lack of documents, at the disposal of co-operative Offices, related to economic appreciation of villagers' credit.

4. Making the necessary clearances with the concerned Governmental Officers and Police stations. Although this was time consuming, it was nevertheless, a most important step.

5. The writer had to serve with the Ministry of Social Affairs and Labor as a duty in return for a previous fellowship awarded by UNESCO while at Michigan State University. This service interfered in the process of field research and caused a slow process of gathering necessary data.

6. Lack of skilled interviewers in Jordan, who otherwise would have participated in gathering the field data.

7. Suspicion of villagers about the study at the beginning of the field research conducted. Fortunately, the father of the writer was a Treasurer of the District, and the fact that he was well known by the majority of villagers in the West Bank contributed to gaining the confidence of villagers.

CHAPTER II

THE COUNTRY OF JORDAN

In order to understand any problem, it is necessary to have a knowledge of the environment that surrounds the problem. This Chapter will provide a statement about the country of Jordan: the history, geography, ecology, demography, social and political structures and the economic features. Special attention, however, will be given to the rural environment and, in particular, the conditions that have had bearing on the local cooperative societies.

I. HISTORY

The problem of writing a history of Jordan is the problem of writing the history of two countries which were completely independent and distinct until recent times: Trans-Jordan and Palestine. Jordan has stood so long in this ancient causeway that inevitably the flux and flow of armies and people have left unparalleled deposits of history, archaeology, religion and culture.

The history of Jordan goes as far back as the time of the Phoenicians, when a splinter group known as the Cananites migrated southward (from Lebanon), formed the fertile valley of Jordan and settled there. These Cananites were historically considered the original Jordanians. Following the

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Cananites came the Ammonites, Edomites, and the Amorites-- bringing the use of the wheel--all pushed their way to Jordan. The Phillistines, members of a tribe which migrated from Crete, settled along the shore and gave their name to what became known as Palestine.

Around 40 BC, the Roman General Pompey occupied Syria (including Jordan and Palestine then) and sent up Herod the Edomite as the King of the Jews. During King Herod's reign, Jesus Christ was born in Bethlehem. Emperor Titus besieged and burned Jerusalem. The Roman rule continued over the territory (Jordan and Palestine) except in the southern part of the area where the Nabateans defied Rome from their rock-hewn city of Petra. Around 330 AD Emperor Constantine established his Christian city, and Jordan (also Palestine) became a Byzantine province. Emperor Constantine's mother, St. Helena, made a pilgrimage to Jerusalem and ordered the Church of the Holy Sepulchre to be built.¹ In 614 AD the Persians attacked and entered Jordan to defy the Romans, but were defeated by the Roman Emperor Heraclius.²

¹ In one village, Aboud, discussed later in this thesis, there exist the remains of a church known as the Church of Aboudeya, built during the time of St. Helena.

² Jordan Guide Book, History of the Holy Land, Ministry of Economics publication, Amman 1953, p. 6.

The year 636 AD is a landmark in the history of Jordan. During this year the Arabs, under Calipha Omar Ben Khattab, defeated the Romans and the whole territory passed through a long period under Islamic rule. Later on, out of Damascus, the Omayyads built a series of castles on the borders of the desert. However, with the advent of the Abasid reign, the capital of the Arab Empire was transferred from Damascus to Baghdad. Jordan and Palestine were neglected because of expansion in North Africa.¹

The strife between the Abasid and the Fatimid Caliphs continued until 1072 when Palestine suffered its next invasions at the hand of Turkoman of Khorasan. This invasion stimulated the Christians of Europe to launch the crusades in the Holy Land. Palestine witnessed a bloody battle and experienced overall destruction. In the year 1187, Salah Udin Al-Ayoubi crushed the Crusaders in the Battle of Hittin, near the Lake of Tiberias. Following the expulsion of the Crusaders, the Ayoubi's rule continued to dominate until the Mamlukes took over. From 1250-1516 the Mamlukes ruled Palestine and Jordan. No intellectual activity of high order was achieved. In fact, this period of the Arabs lost the intellectual hegemony they had maintained since the eighth century.

¹ Ibid., p. 10

The Ottoman Turks defeated the Mamlukes, and their rule lasted from 1517 to 1918 AD. The Turkish regime was characterized by high taxes, little education, lack of medical facilities, and little attention was given to developmental programs utilizing the natural and human resources of the entire Syrian region. The contribution of the Ottoman Turks during the 400 years of domination was the construction of the Hedjas Railway line which extended from Turkey to Aleppo, Damascus, Amman, Mann and finally Medina (Saudi Arabia). The inhabitants of Palestine and Jordan experienced political, economic, social and religious pressures during the Ottoman Turk era. Backwardness in economic and cultural practices present today in Jordan is partially attributable to the strict measures and control heavily exercised by the Turks.

Well before the advent of World War I, the forces of Arab nationalism were rising throughout the Ottoman empire. Secret societies were formed toward the end of fostering Arab independence and unifying Arab forces. The seeds of Arab nationalism grew in Palestine and Jordan and, most fruitfully, in Saudi Arabia. From the heart of Saudi Arabia, led by Sherif Hussein Ben Ali, grandfather of the present King Hussein of Jordan, Arab revolt against the Turks was initiated in 1916.¹

¹ Encyclopedia Britanica, Chicago, Vol XVII, 1954
pp. 130-131.

The Allies--Britain, France and Russia--negotiated with Sherif Hussein for joint action in revolting against the Turks. In conjunction with British forces, under General Allenby, the Arabian forces defeated the Turks. This victory was in the year 1918. The Arabs, then realized their dreams of liberation on the one hand, and fulfilled their pledge to help bring about the Turkish-German defeat. The subsequent victory of the Allies in the Middle East area limited the Turkish rule to what is now Turkey.

However, after the joint victory, in the long peace negotiations that followed, two documents came to light, the existence of which had not been known to the Arabs. One was the secret Sykes-Picot Agreement, made between the French and the British in 1916. This was concluded a few months after the conclusion of the Hussein-McMahon correspondence, which had bound the Allies to something quite different. The second was the Balfour Declaration in which the British declared that "His Majesty's Government looked with favor upon the creation of a national homeland for the Jews in Palestine." The double blow, the Sykes-Picot agreement and the Balfour declaration, and the events following in their course reflected badly on western ethics; and left a shocking and bitter disappointment to the Arabs. First, instead of winning complete and united Arab independence, the Near East was divided into regions under French and British Mandates. Second, without the knowledge of the Arabs, who then

comprised 97 per cent of its population, Palestine was promised as a "national home" for the Jewish minority of 3 per cent living within its borders. As a result of the Sykes-Picot agreement Transjordan was established as a separate kingdom.

Disillusionment fell fast on the Arab world. Feisal, who had established a government in Damascus during the war, was attacked by the French and driven into Iraq where he was enthusiastically welcomed by the people and unanimously proclaimed King of Iraq. Meanwhile, King Hussein had attempted to relieve the seige of Damascus with a force sent under the leadership of his son Abdullah, but it was too late. Jordan was placed under the British Mandatory Government, and subsequently Transjordan was formed with Abdullah at its head. In 1923, the British Government officially recognized Transjordan's independence and in 1928 the Transjordanian Government concluded a treaty whereby Britain, in return for two air bases at Amman and Mafraq, would supply financial aid to the army and Government. In 1948 Jordan entered the war against Israel, and at the conclusion of the signing of an Armistice Agreement, that part of Palestine which was saved by joint Arab forces was joined with Transjordan to form what is now the Hashemite Kingdom of Jordan.

II. JORDAN TODAY

Jordan covers an area of approximately 97,740 Km², of which some 7,555 Km² constitute the water area of the Dead Sea. Of the land area, 84,535 Km² lie on the east bank of River Jordan, the Dead Sea and the Wadi Araba, and 5,650 Km² lie on the West Bank. The East Bank is bounded on the north by the Syrian Arab Republic, on the east by Iraq and Saudi Arabia, on the south by Saudi Arabia, and on the southwest by occupied Palestine. The West Bank fronts only occupied Palestine.

On the basis of climate and topography, which largely determine the distribution of population through the agricultural pattern they impose, Jordan can be divided into four regions: the desert, the East Bank uplands, the West Bank uplands, and the Jordan-Dead Sea Wadi Araba depression.

Nearly four-fifths of the East Bank towards the eastern and southern areas is desert, forming part of the Syrian (north Arabian) desert, and broken only by the oasis of Azraq. It is characterized by a short and cold winter season and a long summer season with relatively hot days and cool nights. Rainfall is slight, less than 50 mm annually, most of it falling during the winter season. Grazing is possible in the desert, but only on a limited scale and only during the winter months.

On the west the desert slowly rises to the plains

country, leading to the uplands and finally to the escarpment overlooking the Jordan River and the Dead Sea. Rainfall increases with altitude, reaching 200 to 500 mm annually in the northern uplands, which extend roughly from south of Amman to the Syrian border. Cereals supplement animal husbandry in the plains, while the greater rainfall in the northern uplands makes possible the cultivation of numerous fruits and vegetables. Seasons and temperatures are similar to those of the desert, but with somewhat sharper contrasts between day and night temperatures.

Through the middle of the West Bank uplands lies an almost straight line of main towns, e.g. Jenin, Nablus, Ramallah, Jerusalem, Bethlehem and Hebron. Climate and seasons are similar to those of the East Bank but with somewhat heavier rainfall (more than 600 mm annually in the north). Cereals, fruits and vegetables are grown, and olive groves frequently grace the slopes of the hills and plains. In the south and west the uplands extend virtually to the borders of occupied Palestine, while in the north they gently subside towards the plains of Galilee. Eastwards the uplands fall dramatically, in a landscape desiccated by deep valleys, towards the Jordan Valley and the Dead Sea. Rainfall here decreases with the altitude and cultivation gives way to grazing, except where springs or streams make possible intensive cultivation of small areas, as in the Wadi Sheib.

A. Physical Characteristics. Physically the Jordan

River-Dead Sea-Wadi Araba depression contrasts sharply with the uplands it divides. From the north the Jordan River meanders from near its junction with the Yarmuk River to the Dead Sea. Winters are short, relatively warm and with little rain; summers are long, very hot and dry.

In the valley itself, intensive cultivation is possible under irrigation from the River Jordan. On the eastern rim of the valley some irrigation is possible from wells, and streams such as the Zarqa; and in the north cultivation is rapidly expanding with the development of irrigation from the waters of the Yarmuk River--the East Ghor Canal Project. Little cultivation is possible on the western rim of the valley, except for isolated areas from streams flowing into the Jordan in the north and the oasis of Jericho in the south, where the rim broadens to a distance of from ten to fifteen Km. The only cultivation found in the Dead Sea and Wadi Araba continuation of the rift is in the Karak Ghor immediately south of the Dead Sea, through irrigation and seasonal streams.

B. The Population of Jordan. In 1952, the census gave Jordan's population as 1,329,174 persons of whom 586,885 occupied the West Bank of River Jordan and 742,289 the East Bank. By 1963, the total had increased to 1,860,493, divided as follows: 932,460 persons occupying the East Bank and 938,033 on the West Bank.¹ The census in the years 1952

¹ Annual Statistical Year Book of Jordan, Department of Statistics, Amman, Jordan pp. 3-20.

and 1963 indicate that the East Bank has increased due to migration from the West Bank and because the capital city of Amman is situated in the East Bank. Amman's population in 1952 was 190,499 persons, while in 1963 the figure was 464,944 persons, thus recording a remarkable increase in a relatively short period. Appendix D shows the population trends according to districts between 1952 and 1963.

Most Jordanians are Arabs, constituting 99 per cent, although there are several ethnic minority groups which form the remaining one per cent. These groups include:

1) the Circassians, 12,000 persons, who migrated to Jordan in the mid 19th century following the treaty of Berlin in 1878, settling around Amman-Jarash and Salt areas, 2) the Shishan, 1000 persons, who migrated to Jordan from Russia at nearly the same time as the Circassians. They have their own language, customs, and are settled in Zerqa, Sweleh and Al-Azraq areas, 3) the Baheyoun, 197 persons, who came from Iran in the early 20th century and are settled in Adasiyya. They have their own religious rites and ethnic culture, 4) the Druze, 209 persons, who came from southern Lebanon in the early 20th century, 5) the Samaritans, 213 persons, who live in the city of Nablus with their own sets of rituals,¹ and 6) the Armenians, around 1,500 persons who live mostly in the old city of Jerusalem. All ethnic groups

¹ Ali Shalash, Analysis of Population Statistics of Jordan, Baghdad, 1965 pp. 4-5.

enjoy Jordanian citizenship. Breaking down the population on religious lines, the Christian Arabs, including minorities, represent about 10 percent of the population to 90 percent Moslems.

The annual rate of increase of population is 2.8 percent. The birth rate in 1963 was reported to be 3.6 percent and the death rate in the same year was .7 percent. The natural annual population increase is between 2.3 and 3.8 percent. When compared with the economic resources, Jordan records a high figure of population increase.¹ The death rate among Moslems is considerably higher than that of the Christians because Moslems generally face numerous problems in living conditions, e.g., malnutrition, lack of sanitation and health service.

1. Distribution Geographic distribution of the people largely reflects the pattern of rainfall and cultivation, resulting in a concentration of population in the northwest corner of the country. This concentration is accentuated by the recent rapid growth of the Amman-Zarqa urban complex. Indeed, almost seven-eighths of the population lives in less than one-eighth of the land area. Of the remainder of the population, approximately four-fifths lives in the more sparsely settled regions of Mafraq sub-Districts, while approximately one-fifth inhabit the desert or live in isolated localities completely surrounded by desert, such as

¹ See Appendix D-1 for rates of births and deaths from 1952 to 1961.

Aqaba and Maan.¹

2. Mode of Living Modes of living also reflect the pattern of rainfall and resulting division of Jordan into desert and town areas. Nomads inhabit the desert and the areas leading to the uplands, although a few are scattered throughout the country. The settled population falls into two categories: rural and urban in uneven distribution of density per Km². In some areas the density is recorded as low as 4 persons per Km² (Tafela and Maan areas), while in others as high as 573 persons per Km² (Zerka area). The rural population dwells largely in villages scattered throughout the country where rainfall or irrigation can support cultivation. The urban population is found in the towns and cities. Although the modes of living are distinct, nomadism and village life merge among the semi-nomads and the larger villages. Smaller towns show characteristics of both rural and urban life. Each of the nomadic, rural and urban modes of living will be treated briefly.

a) Nomads and Semi-Nomads. The nomads, totaling 95,434 persons in 1961 and constituting 5.6 percent of the population, traditionally live in tents woven from goat hair and called Beit Sha'r (meaning house of hair). They may be broadly classified into eastern nomads and western nomads. The eastern nomads are the Bedouin of the desert who live during the summer in the uplands and plains of the

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See maps following.

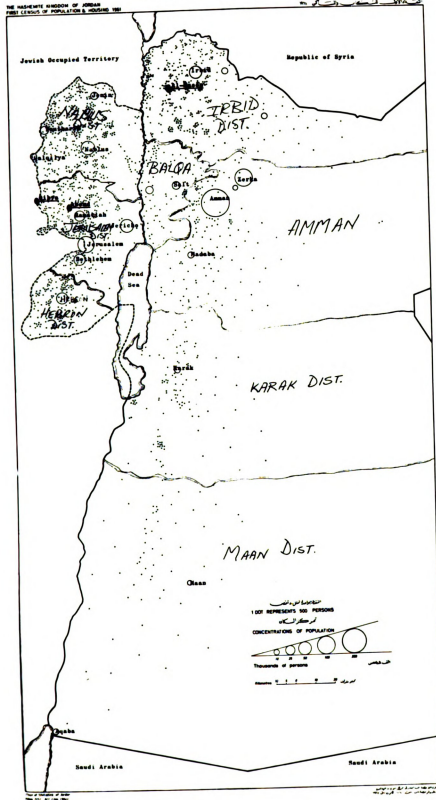
سجل السكان

POPULATION DENSITY



توزيع السكان
DISTRIBUTION OF POPULATION

THE HISTORIC MANDATE OF JORDAN
AND (ESTIMATE OF POPULATION & RESOURCES 1970)



East Bank and move with their animals during the winter rains into the eastern desert and the Wadi Araba. The western nomads generally spend the summer in the uplands of both east and west Banks and move into the Jordan and the Dead Sea depression during the winter. Traditionally Bedouins are principally camel-nomads, and the western nomads are sheep and goat herdsman. In recent years, however, the camel has declined in importance.

In modern Jordan pure nomads, entirely pastoral people of no fixed residence, are relatively few. Larger in number are the semi-nomads, who wander with their animals only during the winter and after seeding the cultivation in their home grounds, to which they return for harvest in the spring. Some semi-nomads continue to live in tents while cultivating; some have built houses of mud-bricks near their lands and unpack their tents only for the winter migration. The need for the mud-brick structures is to remain near the crops during the winter. The increasing services of health and education provided by the Government further lessens the degree of nomadism.

b) The Rural Population. The rural sedentary people live almost entirely in the villages surrounded by the lands which they cultivate. Only a few villagers live on isolated farmsteads. Nearly 48.8 percent of the population lives in villages with populations of 5,000 persons and less. There are 960 villages in Jordan with

populations depending almost completely on agriculture. In most villages only a mosque--or a church in the few predominantly Christian villages--and a few general stores, a guest-house along with a school building, medical dispensary and postal branch are to be found apart from the homes of the farmers. Strong ties of kinship and tradition bind the people of each village one to another. In recent years, however, the urbanizing influences of technology and the introduction of roads, schools and medical services are making a noticeable impact, particularly in the large villages and those villages situated near the cities.

c) The Urban Population. The characteristics of the urban areas differ sharply from those of the villages. The cities and towns are the seats of governmental institutions as well as the centers of commerce, finance, manufacturing and communications. Here also are found such urban cultural features as hospitals, institutions of higher education and amusement centers. It follows that the urban population includes the bulk of those persons engaged in occupations associated with these institutions. Larger towns such as Amman and Jerusalem exhibit purely urban characteristics, while some of the smaller towns such as Madaba, Salt, Ramallah and Jarash include a substantial minority of farming people.

d) Refugee Camps. A substantial number of Jordanians do not fit readily into the modes of living described above, and these are the refugees from occupied

Palestine being cared for in UNRWA supported camps. Camps situated within or adjacent to large towns represent only a relatively small proportion of the actual population of towns and cities. Camps such as that of Amman may be treated as urban, while others such as Karameh, Jericho and Nablus which are larger than Qalandia camps may be considered neither urban nor rural in terms of the characteristics described above.

C. Education. In the past decade Jordan has occupied second place among Arab countries in terms of the percentage of students attending schools compared with the population--19.4 percent, while Lebanon has 19.8 percent. The number of schools affiliated with the Ministry of Defense, Social Affairs institutions, the Ministry of Education, Moslems, Christians, UNRWA,¹ and the Department of Waqf have markedly increased. Some of the features of modern education in Jordan include: 1) the newly established University of Jordan for liberal arts, commerce and sciences, 2) five male and female two-year teacher colleges, 3) an agricultural Institute providing specialized training in three years terms, 4) an increased number of male and female teachers who hold B. A., B. S., M. A. and Ph. D. degrees, and 5) a dynamic program of training teachers by way of summer courses, seminars and modified curriculum in order

¹ UNRWA stands for the United Nations Relief and Works Agency for the Palestinian Arab Refugees in Jordan and the Arab countries.

to meet the needs and services of the country and the changing society. The number of schools, students and teachers in 1957 and in 1963 is given in Appendix E.

D. The Political Structure The Jordan constitution states that the Hashemite Kingdom of Jordan is an independent and sovereign state, whose official religion is Islam and Arabic the official language. The Government is a "hereditary monarchy, and its form representative". The King is given wide discretionary powers over all three branches of the Government; he appoints the Prime Minister as well as the members of the upper Chamber of Parliament; he must confirm all laws and has certain veto powers over the legislature, which, however, a majority vote of both chambers may override. He is commander-in-chief of the army and has the power to declare war. Despite these wide Royal powers, the constitution declares the people the source of all powers and enjoins them to exercise them; all Jordanian males over 18 years of age have the right to vote.

The constitution stipulates that all Jordanians shall enjoy equal rights before the law, regardless of race, language or religion. Personal freedom of worship and speech are granted. The right of each citizen to employment is observed and the duty of the state is to provide it in accordance with the potential economic prosperity.

1. Governmental Powers. The governmental powers are divided into three branches: the legislative, the

executive and Judiciary. Each will be treated briefly:

a) The Legislative. This branch is represented by two houses of parliament. One, the House of Deputies, elected by universal male suffrage, has 40 representatives elected by the people of Jordan on both Banks--the East Bank area is represented by 20 parliament members and an equal number for the West Bank. The other, the House of Senators (the council of notables) whose members never exceed the ratio of 50 percent of the Parliament, is appointed by the King. The members represent distinguished personalities and reputable men.

b) The Executive. Power is vested in the King and cabinet or the Council of Ministers headed by the Prime Minister. The Prime Minister is appointed by the King and maintains liason with all activities of the country through the various cabinet ministers. The Ministries currently functioning in Jordan are: The Foreign Affairs, Justice, Defense, Social Affairs and Labor, Interior, Communications, the Treasury, Public Works, Development and Construction, Information, Health and Education. Each Ministry is headed by a Minister and consists of sufficient staff and civil servants for the related functions.

c) The Judiciary. The constitution declares the Judiciary independent and subject to no authority except the law and the Royal right of dismissal. Judges are appointed by Royal decree for large towns and cities for

Courts handling cases of various levels. Two Courts of Appeal are established, one on the East Bank area and the other for the West Bank area.

2. Administrative Divisions. For administrative purposes Jordan is divided territorially into eight districts.¹ Six districts comprise two or more sub-districts; these are Amman, Ajlun, Karak, Maan, Jerusalem and Nablus. In Balqa and Hebron districts no administrative sub-districts exist. Some sub-districts are further divided into sub-divisions called Nahiyas covering a part of the sub-districts within which they are situated. Finally, a number of localities lying within the territorial divisions are organized localities with a representative body called Majlis Baladiya. Other localities are administered by a headman (or men) known as the Mukhtar(s) which represent the traditional village power structure.

E. Economic Features. Agriculture still is the most important factor in Jordan's economy. Around 65 percent of the population depends on farming or animal husbandry for livelihood. But rainfall is the sine qua non of farming economy, and years of drought can be very damaging to the whole structure. Several factors tend to make much of the agriculture in Jordan a subsistence effort rather than a profitable business undertaking. Most of the holdings are small and from them a farmer frequently finds it difficult to feed his family. The distribution of land presents

difficulties in management of the farming business. Out of a total of 118,776 holdings there are 26,708 less than ten Donums and 43,899 between ten and fifty Donums. In other words nearly 85 percent of the total holdings are less than fifty Donums.¹

The Moslem laws of inheritance by which farming land is divided in full shares for each son and half shares for daughters make holdings become smaller and often not arable. It also leads to fragmentation. A man can have several small pieces of land in five or six different places. This is an acute problem in rural areas.

In large parts of the country soil is rocky, full of boulders and stones, and on the steep slopes of hills. Ploughing by any means other than a very light plough, which can be manipulated around the rocks, and animals which can pick their way, would be impossible. Likewise, harvesting of grain must be done by hand and sickle. The numerous steep slopes have led to serious erosions. The use of tractors in flat areas is being introduced in various districts. There are over 1,500 tractors presently operating in Jordan, used for ploughing, threshing, hauling, and transporting crops mainly in rural areas. These along with other technological improvements such as improved seeds, irrigation and chemical fertilizer have contributed to the improvement

¹ International Bank for Reconstruction and Development, The Economic Development of Jordan, Baltimore, 1957 p. 130.

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of farming practices in general.

In speaking of the broad economic features of Jordan, the fact reveals that it is an area largely poor and agricultural but straining to increase wealth by industrialization and promoting tourism. Jordan, like other countries in the Near East, has been plagued by political instability (domestic and international), by a lack of experience in creating and investing capital, and by a labor force inadequately trained for modern industry, though adaptable enough to it. Morrow Berger describes the future prospects of Jordan in the following terms:

As for Jordan, it lives off loans from England and the United States which it has not repaid and probably never will. It has few resources and little prospect of using even those fully. With a sense of nationality beyond that of being Arab, and without a chance of becoming self supporting in the calculable future, Jordan's justification for separate existence is only the political convenience of others.¹

Economic development is the challenge for Jordan's future. The Seven Year Plan, started in 1965, aims at covering the deficit in the balance of trade and utilization of available resources for Jordan to become self-sufficient. Although Jordan proved that it is able to develop economically in a relatively short period of time, foreign financial assistance must continue for several years to come.

The importance of agriculture in the economy of Jordan can be summed up as follows:

¹ Morrow Berger, The Arab World Today, New York, 1962 p. 212.

Agriculture has provided a good living for some Jordanians and a precarious existence for many because of recurrent droughts and the toll of soil erosion over the centuries. The 1961 census indicated that 35 percent of the labor force is engaged in agriculture, yet in the period of 1959-1961 net farm income averaged only 17 percent of the Gross Domestic Product. In 1961 Jordanians consumed about JDs 57 millions of food in processed or unprocessed form, imported about JDs 15 millions and exported about JDs 1.5 millions. Put it in a different way, in spite of the fact that over one third of all employed Jordanians were working in agriculture, Jordan was not able to produce enough food to feed itself.¹

As a result of the economic and political history of Jordan since 1951, a highly imbalanced and distorted economic system has developed. The major symptoms of this are the chronic balance of payment deficit and a situation in which current budgetary aid accounts for about half of the Government current revenue. The correction of these distortions is a formidable task.²

The leading economic sectors which contribute to National Income are: agriculture, tourism, industry, commerce and trade, and others, e.g. taxes, fees, etc. In 1954 the proportion, percent, of national income contributed by economic sectors was: agriculture--39, industry--6, trade--16, and others--39. The total national income in the same year was JDs 49 millions and per capita income was JDs 35.7 millions.

¹ The Seven Year Program for Economic Development, produced by Jordan Development Board, unpub. Document, 1964, p. 6.

² R. S. Porter, Economic Implications of Balancing the Jordan Current Budget, unpub. Report, March 1963 Beirut, p. 31.

F. Land Tenure. The fact remains, even after the increase of size of irrigated land in the East Ghor area, that the amount of cultivable land in Jordan is insufficient for the needs of the population. Ownership or rights in productive land is highly prized and invested with traditional and social values--a factor of much greater significance than the economic worth.

Jordan agriculture is largely in the hands of small occupant right holders, and the cultivated land is predominantly miri, or state land. This land is in perpetual lease to the occupier who has right of disposal except to dedicated Waqf (state religious trust). Prior to the comparatively recent land settlement, the tenure of such, but not all miri land was on the Musha system, whereby the lands of a village were held in common, individual rights being in terms of shares of the total, not in specific land. This is dangerous because the tenant had no continuity on the same piece of land and the peasants lose incentive to good farming or to permanent improvements. In other cases, land is assigned for specified public purpose, e.g., building schools, roads, etc., or for the use of the village communities.¹

There are few large estates which are managed by agents on behalf of absentee owners. Such estates may be cultivated

¹ International Bank for Reconstruction and Development, The Economic Development of Jordan, Baltimore, 1957, pp. 126-127.

by workers employed all year round, or more usually taken on by the day; or they may be sublet in small plots to peasant families as cas tenants, share tenants, or share croppers. Holdings are much fragmented in all villages of Jordan. It is not usual for a man to own and work one small plot, work other plots as share tenant, or share cropper and from time to time hire himself out as a laborer.

The relation between the number of holdings and the number of farmers is not generally known, nor is information available regarding the number of tenant farmers. In a recent study by UNRWA in 1953, a survey of the Jordan valley classified cultivators as follows: a) Owner farmers 48 percent, b) tenant farmers 31 percent, c) farmers owning part and renting part 2 percent, and d) the remaining, 19 percent, were absentee land owners.

The report added that "crop sharing is the commonest form of rental and on rain-fed land where the tenant supplies all the seed, plowing, harvesting and threshing. His share may rise to 70 percent of the crop. The size of his share largely decides whether he or the landlord pays the taxes, and it tends to be a greater on inferor."¹

It is very common for the landlord to supply part of the seeds and to take a larger share of the produce. On irrigated land the tenant paying all the expenses receives

¹ International Bank for Reconstruction and Development, The Economic Development of Jordan, Baltimore, 1957 p. 131.

half the crop. Most agreements between landlords and tenants are generally for periods of two years, and some are limited to a single crop. The shortcomings and difficulties that the land tenure system presents will be discussed in a later part of the study.

1. The Loss of Land. The demarcation of the Armistice line between Jordan and Occupied Palestine has resulted in the separation of many villages from their best cultivable land and in some cases from their water supply as well. The position of loss of land is illustrated in Table 1 on the following page. The loss of land is low, as in the case of villages in the Nablus district (6.8 percent), and reaches a high figure as in the case of Ramleh (57.8 percent), while in the areas of Hebron and Jerusalem the loss was about 30 percent.

Moreover, of the land remaining to the frontier villages, nearly 60 percent is not cultivable; and in some villages nearly 90 percent is in this category. The villagers are making impressive efforts to improve their lands by means of terracing and irrigation where possible. They have been provided small loans by the Jordan Development Board--later the Agriculture Credit Corporation, the local credit and thrift cooperative societies and other private-national and international bodies.

Table 1
LOSS OF LAND IN FRONTLINE VILLAGES¹

Sub-District	Population not Refugees	Original Areas (Donums)	Present Area (Donums)	Per cent of loss
Jenin	10,260	114,008	34,110	63.3
Nablus	7,500	327,883	305,883	6.8
Tulkarem	39,020	267,424	109,153	29.2
Bethlehem	6,230	30,741	20,742	32.5
Jerusalem	7,230	31,107	21,673	30.4
Ramallah	2,850	28,647	22,887	20.1
Ramleh	11,430	139,146	58,703	57.8
Hebron	34,630	709,699	490,556	30.9
Total	119,150	1,845,786	1,143,610	38.0

The loss of land in front line villages had numerous socio-economic consequences. Those villagers who traditionally had their life centered around farming were forced to change their occupation to hired laborers in centers outside the village. The migration of farm labor to cities in search for employment resulted in the social disorganization of the village community.

In summary, the country of Jordan is making adaptation to the changes taking place as a result of the Palestine Arab refugee plight on the one hand and of the desire to improve living conditions for the inhabitants on the other.

¹ Source: R. S. Porter, Economic Survey of Jordan, British Embassy, Amman Sept. 1953 p. 16.

CHAPTER III

TYPES OF AGRICULTURE CREDIT IN JORDAN

There are numerous private and governmental sources of credit available for villagers. The cooperative credit and thrift societies are only one type within the various credit systems providing loans. In order to evaluate the role of the credit and thrift cooperatives in the traditional economic and social structure of rural Jordan it is necessary to describe these sources of credit through which farmers can obtain cash for their needs.

For centuries in this part of the world credit followed primitive methods even after monetary papers and coins had been in circulation. The credit cooperatives have not replaced the traditional patterns of credit and sale transactions completely. Both modern and traditional forms of credit exist side by side in rural Jordan.

Raymond Firth provides a pertinent explanation of credit in peasant societies, which is applicable to a great extent to villages in Jordan. He states:

Even in most primitive non-monetary economic systems the concept of credit exists--the lending of goods and services without immediate return against the promise of a future repayment. It involves an obligation by the borrower to make a return and confidence by the lender in the borrower's good faith and ability to repay. The return may be the same article or service as lent, or a different one. It may be equivalent in value to the loan or augmented in value above the loan i.e. with interest. The augmentation may be voluntary and prescribed

and it may be proportionate or not to the amount of time for which the object has been held. The repayment may be contractual and enforceable by law, or it may have no legal backing, but socially binding. Such a list of alternative elements indicates not only the possible variations in the structure of credit transactions in an economy but also various points at which variation may be conditioned by social forces¹

The traditional forms of credit and thrift existing among Jordanian peasants will be treated in depth in later parts of this study. At this stage, however, it will suffice to state the sources and practices of agricultural credit upon which farmers have depended. The sources will be classified as private, including traditional practices where peasants follow similar patterns as described by Firth, and Governmental institutions.

A. The Traditional Practices The traditional credit transactions are of two types: 1) actual currency credit, and 2) credit in kind, or the Mogayada system. Each type will be discussed briefly.

1. Actual Currency Credit. When a peasant is in need of cash, often he approaches a relative or a kin for securing the loan. If the amount of money requested is a small amount i.e. ranging from JD one to 50, the lender gives it to the borrower as Kurda. Kurda is a term used to refer to a personal loan. The terms of Kurda can include:

¹ Raymond Firth, "Capital, Saving and Credit in Peasant Societies--a viewpoint from Economic Anthropology" in the book entitled Capital, Saving and Credit in Peasant Societies, Edited by R. Firth and B. S. Yamey, Chicago, 1964 p. 29.

the word of honor of the borrower, the duration is a relatively short period, no interest rate is applied, and the loan can be repaid in cash or in crops or/and in services by the borrower at the consent of the lender. In a village Kurda is a common practice. The borrower approaches the relative, friend or a kin, and asks for the Kurda in privacy and secrecy. This is done because the borrower does not want to make it known to other villagers that the lender does not want to make it known to other villagers that he has money available for Kurda. If other villagers knew about it, a stream of borrowers would come to the lender for similar Kurda. The lender usually does not turn down requests for a very close relative or a friend, but he may turn down a stranger's request. If the lender doubts the loyalty of a borrower, even though he is a very close relative, the Kurda is not given for fear of delinquency in repayment. Perhaps Kurda may be considered as a disadvantage to a cooperative loan. In a cooperative there is no secrecy in issuing loans to villagers.

Another form of traditional currency credit is the Deinah loan. A peasant expresses financial need to individuals in the village known for lending money--merchants or money lenders. Such needs may be one of the following: a) paying for a marriage ceremony for self or a son, b) for food articles due to a drought season and c) for agricultural purposes. In the case of Deinah the borrower

approaches the moneylender, known as Mouraby for a loan. The Mouraby shows immediate readiness to provide the amount requested and asks for a security. He says to the borrower, "You know, brother, in these days one has to put up a security". The borrower offers one of the following as security: a) his crop at the harvest season, b) a number of live trees--since olive trees are permanent and most precious to peasants, c) a portion of his land, and d) property such as a shop, a house, etc. The Mouraby who has the choice accepts one of the mentioned alternatives. In addition the borrower, in the presence of witnesses, has to sign a statement to this effect. The interest rate, called Fayez, usually ranges between 30-50 percent per annum.

The repayment of Deinah can be either in cash or in kind, e.g. seeds, olive oil, fruit trees or vegetables. The price of the produce is set by the Mouraby, usually at low market price, and the borrower has no choice but to yield to the demands of the former. The Mouraby surprises the borrower by requesting the repayment at a time in the harvest season when the produce is plentiful and relatively low in cost. This loan is the most burdensome and damaging to peasants. In most instances the farmer, as a result of inability to repay the loan in due time, loses his harvest-trees-land and property to the Mouraby.

2. Credit in Kind--Moqayada. This is another form of traditional credit still in practice among the

peasants in the villages of Jordan. Usually the peasant patronizes the local grocer, butcher, blacksmith, baker, merchant and flour or olive mill. He patronizes these shops for the items and services he, or members of his family, cannot produce off the farm. With a limited amount of funds available during the off-agricultural season, he purchases household items and utensils on credit from the local shops. In order to increase their customer's patronage, the local shop owners permit the peasant to have a running debt, with the understanding that repayment of the debt will be met during the harvest season. For settlement of the debt, the shop owners usually accept such items as seeds, olive oil, cheese, gee, wool, sheep, vegetables, or fruits. The price is agreed upon by both, and this repayment is made in due time. Peasant customers seldom repay the debt in totality, but in most instances they reduce their debt after the harvest. If the debtor pays in grain or olive oil, the shop owner allows him the price ruling at the time of harvest. The shop owner can sell this grain or oil, a few months later, at a scarcity price. If the debt becomes too high, then the shopowner might ask that a field be given in pledge until the debt is paid off, or occasionally a field will be sold to pay off a debt.

The shop owners have at least three sanctions at their disposal. They can refuse further credit, and if the customer is no longer credit-worthy, other shop owners are

likely to discontinue credit to the delinquent customer. Secondly, all shop keepers are careful to maintain good relations with the village as a whole, especially keeping good terms with men of influence. Therefore they seek to exert pressure upon a defaulting customer through his fellow kins. Finally, as a last resort, shop owners threaten bringing settlement through the town's court.

Another version of Moqayada is the exchange of agricultural produce or poultry produce, e.g. tomatoes, potatoes, squash, chickens and eggs for household items. The wife or children of the peasant often make the exchange. The shop owner agrees and gives in return, according to the price in his judgment, goods such as rice, butter, soap, tea or clothes selected by the customer.

Having several shops operating in the same village, a shop owner attempts to draw in his list a large number of customers, thus making conditions of exchange or credit to peasants as accommodating as possible.

B. Formal Sources of Credit Formal sources of credit were known in Jordan as early as 1866 when Jordan was part of the former Ottoman Empire. In that year a credit institution was established by an Imperial Decree. Its operations covered mainly agricultural loans for economic institutions, individuals, municipalities and other bodies.¹

¹ Ibrahim Kaibni, Agricultural Credit in Jordan, Article in the Interim Report of American Friends Service Committee, Appendix L, Philadelphia, 1963 pp. 1-2.

During the First World War a properly constituted agricultural bank was formed in the Ottoman Empire, with branches in Karak, Irbid and Salt. The main Office was in Damascus. At the end of the First World War, assets and liabilities of these three branches were transferred to, or inherited by, the Jordan Government. Within their limited financial resources, these three branches continued to function and issue loans to farmers until 1920, when an agricultural bank was formally established in Jordan.¹

Although the agricultural bank was established, nevertheless, the majority of peasants did not utilize its services for many reasons. As expressed by several peasants in villages under study a reason for not applying for a bank loan was that "it involved a lot of paper work, red tape and heavy mortgage which we were not used to; in addition it was too much bother to go through this ordeal." There are other factors which make peasants sometimes prefer the traditional method of borrowing from a rich man and paying twice or three times the interest rate demanded by the Government. In the first place, the money lender does not insist that the money be used for productive purposes, and the borrower does not have to go through the ordeal of providing securities to a Government servant. In the second place, the moneylender does not operate according

¹ Ibrahim Kaibni, Agricultural Credit in Jordan, Article in the Interim Report of the American Friends Service Committee, Appendix L, Philadelphia, 1963 p. 3.

to rigid rules and is more amenable to persuasion in extending the period of the loan or in taking a field in pledge, a condition which the Government will not entertain. In addition, the peasants still fear all Government institutions and find it difficult to make contact with them. The peasants clearly demonstrated their resistance to join the cooperatives in the beginning. In other words, the peasants remain, by and large, dependent on moneylenders, shop owners and individuals in the local community or the nearby villages and towns. Reasons for non-participation in village credit cooperatives will be treated in a later Chapter dealing with analysis of village economic structure in the three villages subject to study.

The sources of credit for the rural sector, other than shop owners, friends, or businessmen prior to the establishment of the Agricultural Credit Corporation were the following:

1. The Ministry of Agriculture, using Government funds for the multiplication of seeds and distribution of fruit trees, etc.
2. The Agricultural Bank which gives long-term, medium-term and short-term loans.
3. The Village Loan Scheme of the Jordan Development Board with a capital of approximately JDs 1,800,000 which provides medium and long-term agricultural loans.

4. Cooperatives, granting chiefly short-term loans.
5. The Jordan Development Bank which gives mainly medium-term development loans.
6. The Commercial Banks, giving chiefly very short-term business loans.
7. The Arab Land Bank, giving medium-term agricultural loans.

In addition to the above, the Ministry of Finance provides funds for relief purposes during drought years, and the issue is confused by the conditions of such loans.¹

As for obtaining a loan, a villager has to put up a form of fixed security. A proportion of the villager's land, as estimated by the Land Department, is the most common form of security. This is in addition to a prerequisite of one co-signer and sometimes two on the documents. The records of the land registry of Jordan show that in 1952 mortgaged loans to villagers were JDs 1,215,000, while in 1957 the figure increased to JDs 2,694,131. The total size of land put up as mortgage in 1953 was 562,568 Donums, and the figure increased by 20 percent a decade later.

In order to alleviate pressures of the villagers due to increased indebtedness in drought years, the Government issued a Moratorium on debts secured by mortgage. The private credit sources and lenders cleverly evaded the Moratorium

¹ W. J. Cheesman, Final Report on Cooperative Movement In Jordan, Ministry of Social Affairs and Labor, Amman, Unpublished Report, 1962 pp. 20-21.

by insisting that the land must be registered in the name of the creditor so that he can seize it if the installments of principal and interest were not paid. In some villages the percentage of land mortgaged against loans amounted to 82 percent of the total land of the whole village for both private and Governmental sources. However, with the establishment of the Agricultural Bank, the cases of land mortgaged by individual lenders has gradually decreased while cases of land mortgaged by the Agricultural Bank increased. The increase was due to the flexible loan-policy followed by the Bank, and the need for credit because of successions of drought seasons which affected villagers to a great extent.

1. The Agriculture Credit Corporation. The Agricultural Credit Corp.¹ was established in 1960 as a result of the realization by Government officials and foreign experts for the need to unify the functions and activities of the multiplicity of agencies which provided credit to the agriculturists in Jordan. Other objectives sought included avoiding the overlap of credit sources, meeting the credit need of the farmers, providing an improved and strictly supervised agricultural credit.²

The A.C.C. provides loans to peasants at an interest

¹ The letters A.C.C. will be used hereafter to refer to the Agricultural Credit Corporation.

² This is similar to the credit operations practiced by the production credit association, the Land Bank, or the Farmers Home Administration in the U.S.A.

rate of 5 percent. The loans are of three categories: short, medium and long term. The conditions of each are:

a) Short term loans are given for purchasing seeds, fertilizers, and small machinery, payment of ploughing costs, harvesting and preventing plant diseases. The duration is from 1-5 years.

b) Medium term loans are extended for purchasing machinery, farm equipment, livestock, for small irrigation projects and for light agricultural industries. The terms are from 5 to 10 years.

c) Long term loans are available for development of land, subsoiling and planting of fruit trees such as citrus and banana. Such loans are extended also for building cold storage plants. The period of repayment extends up to 20 years.

The capital allowed for the A.C.C. was set so that it would not exceed JDs 7 millions. The total assets of the A.C.C. as of March 31, 1964 reached the amount of JDs 4 millions and the total reserve funds amounted to JDs 100,000.

The A.C.C. modified the provisions of the short term loans and concluded an agreement with the Jordan Cooperative Central Union so that the latter administers this type of loan to peasants through the credit cooperatives. Accordingly, the A.C.C. extends a loan to the Jordan Cooperative Central Union at 4 percent interest, 2 percent of which is retained by the latter as a service fee. The Jordan

Cooperative Central Union relied on this source of revenue for financing the rural credit and thrift cooperatives as well as other types of agricultural cooperatives.

In July, 1963 the amount of medium and long term loans given by the A.C.C. to peasants was JDs 4,798,859 distributed among 118,445 peasants. The recorded accomplishments resulting from the A.C.C. loans were as follows: a) building stone fences around the farm lots, a total of 666,245 meters in length, in addition to 1,149,095 meters length of supporting stone fences for preventing soil erosion, b) digging 469 water wells on farms for irrigation purposes, c) purchasing 224 machines like tractors, harvesters, trolley cars and hand ploughs, d) purchase of 8,782 head of livestock of which 449 were imported milking cows, and 8,782 chickens with two hatching machines, and e) purchase of 75 motors for extracting water from the underground, in addition to laying 38,775 meters of water pipes.¹

The A.C.C. is improving its credit services in order to allow more farmers to benefit from the credit system on the one hand, and to motivate peasants in increasing their economic productivity, on the other.

¹ Statement delivered at the Cooperative Institute by Mr. Naim Shouqa on March 3, 1964.

2. Jordan Development Bank. This Bank was founded as a result of an agreement between the Government of Jordan and UNRWA in 1951. The objective of the Bank is to provide long-term loans for productive agricultural projects, at an interest rate of 6 percent. The loans are available to Arab refugee peasants since UNRWA provided nearly 80 percent of the share capital of the Bank.

Since its establishment, the Bank provided loans for 18,350 refugee peasants for various agricultural projects. The loans are issued on a group basis and the Bank authorities favored channeling its loans through agricultural cooperatives.¹ The loan is given to peasant groups in the following terms: the Bank purchases a piece of land for a group of refugee peasants after they have registered an agricultural cooperative. The land is provided as a loan, the price of which is payable between 10-15 years with an interest rate of 3 percent.² Then the members of the established cooperative are given additional loans for farming operations. Operational loans are charged 6 percent interest and payable during 5-10 years. In 1963-64 the Bank provided a total of JDs 270,000 for 15 agricultural cooperatives located in the Ghor area.

Such loans, although provided with a good size of

¹ Falastine Newspaper, Issue of June 27, 1964 p. 5, col. 3, Amman, Jordan.

² Other Commercial Banks in Jordan charge an interest rate of 10 percent on such loans.

funds, are misinterpreted by the members and the public, thus affecting the cooperative endeavor. The peasants feel that such loans are for relief purposes, and the majority of peasants used the loans for non-agricultural purposes, in addition to the discrepancies in registering imaginary names as members in order to receive a large sum of money.¹

This source of credit can be an effective tool in social and economic development of rural communities if disbursement of loans is properly administered and controlled. There are numerous agricultural cooperatives, established through this system, currently facing difficulties in repaying loans, utilizing loans for productive purposes, and other socio-economic problems. There is a general feeling that the Bank, in so doing, attempts at decreasing the number of refugees who receive relief from UNRWA.

3. Jordan Development Board. The objective in establishing this Board in 1952 was to supervise distribution of foreign loans, primarily British grants, among peasants, especially those inhabiting the Front Line villages.²

The Jordan Development Board provided loans for peasants on terms classified in three categories: a) seven

¹ Peasants of cooperatives who are recipients of loans from this Bank attended a training course held by the Cooperative Institute in 1964. The writer secured this impression of members during the one-week course.

² The village of Qibya, included in this study, received loans provided by this credit institution.

year loans for irrigation projects, b) 10 year loans for agricultural machinery and c) 14 year loans for reclamation and improvement of cultivable land. The Board also allocated funds for national economic and developmental schemes.¹

In 1952 the Jordan Development Board allocated a sum of JDs 190,000 from the second British loan for projects to increase agriculture production in the Front Line villages.² The projects for which loans were given included: terracing and planting stony land on the hills, acquiring pumps and engines for wells and digging holes to increase the area under irrigation, building minor irrigation works, purchasing tractors and developing other minor projects. The Board appointed a committee called the Frontier Village Loans Committee, to supervise the projects mentioned.

Printed forms are issued to farmers who require loans. Farmers were asked to give detailed information regarding their property, crop, plantation, number of dependents and the purpose for which the loans were required. The applications were screened individually, and appropriate recommendations were made to the Committee. For small loans not exceeding JDs 1,000 the joint and several security

¹ Document of USAID in Amman, Grain Office, Document No. A/8/1 p. 73.

² This will be referred to in a later Chapter where a Front Line village (Qibya) is considered in the study.

of two or more guarantors was acceptable.¹ Charged interest is at 4 percent per annum and the first payment is due one year after the receipt of the loan. Terms of repayment depend upon the nature of the project for which the loan is granted.

The scheme revived the morale of the villagers in such marginal areas and promoted worthwhile development. It brought life out of what was a barren land.²

The amount spent in 1953 for agricultural development by the Board was JDs 190,000. The total funds spent for national projects up to 1957 was JDs 6.5 millions. Some of these projects were loans to cooperative societies, channelled through the Department of Cooperative Development, plantation of forest trees, building grain storage outfits, irrigation projects, roads, expansion of Amman and Jerusalem Airports, East Ghor Canal Development, and agriculture research stations.

Since the establishment of the A.C.C., all agricultural loans were transferred from the Jordan Development Board to the A.C.C.

The major developmental national schemes supervised and financed by the Board include: agricultural development of the East Ghor Canal project, forestry projects, rural community development, tourism and industry, roads,

¹ B. S. Harries, Economic Survey of Jordan, Unpublished Report, Amman, 1953 pp. 85-86.

² Ibid.

national health, supporting agricultural-rural and urban education, providing scholarships for Jordanians as well as recruiting experts in the various fields, and loans to municipalities.¹

In addition, the Board is the highest Governmental agency through which foreign aid, British-American-German etc., for developmental schemes is channelled. Financing the various projects follows the general national economic development plans of Jordan, e.g. in accordance with the seven year plan and other programs.

4. The Arab Land Bank. The Arab Land Bank was established in 1947 as an Egyptian financing corporation with a share capital of one million Egyptian pounds.² The Bank had its main office in Cairo with branches in Gaza, Jerusalem, Amman, Zerqa and Nablus. The objective of this Bank was to rescue Arab land in Palestine and to try to prevent sale of Arab land to the Jews of Palestine. The Arab-Israeli conflict stopped the Bank from operating in this endeavor. However, following the conflict, the Bank modified its policy and considered two forms of credit to customers: a) loans for agriculture, and b) loans for building private homes or apartment buildings. Villagers may apply for such loans for tree planting, digging wells, and for the purchase of seeds, tractors, harvesters, etc.

¹ Report by the Jordan Development Board published in the National Guide Book of Jordan, Amman 1964 pp. 292-296.

² Egyptian Pound then was equivalent to one sterling pound; however, at present the Egyptian Pound has declined.

at an interest rate of 9 percent payable in a period ranging from three to eight years. The security requested for such loans is land mortgage. As for "building loans", citizens are given loans for building purposes, especially individuals in towns and cities, against land mortgage. In 1955, the Bank issued a total of JDs 133,985 for agricultural purposes for 212 villagers in the West Bank.¹

In 1955, the Bank stopped issuing agricultural loans as a result of the Government Moratorium issued in February 1953. The Moratorium protected the peasants from giving up their land for mortgage as a result of debts and loans. Consequently, loans and debts of peasants were divided into installments to be repaid in a period of ten years. The Moratorium also limited the accumulation of interest on the loans and debts.²

The Moratorium made adverse effects in villages and especially among the moneylenders. The Mouraby did not give credit against land mortgage; instead, he requested either a debenture note co-signed by two witnesses, or against the peasant's produce subject to seizure in case of repayment failure.

The Arab Bank presently issues short-term business loans to merchants, wholesale dealers and big business operators.

¹ Arab Development Bank, Annual Report, Amman 1955 p. 11.

² Ghalib Arafat, Economics of Agricultural Credit in Jordan, Ministry of Social Affairs and Labor, Amman 1956, p. 11.

5. Government Agricultural Credit. The Ministry of Agriculture manages various credit schemes, the oldest of which is the Seed Propagation Scheme, designed to promote the use of better qualities of seeds. Seed distributed to peasants is repaid in kind after cropping. The rate of repayment is base upon the relation of the yield to quantities of seed sown, and a charge of 15 percent is levied as a contribution to the operation of the Scheme. The revenue of this Scheme contributed to the promotion of agricultural schools, construction of seed storage sheds, and maintenance of some 21 stations for the grading of seed wheat.¹

The Ministry of Agriculture has other minor credit programs. Fruit trees are sold at 50 percent of their cost, repayment being spread over three years. Technical assistance, development of forests, animal husbandry, fisheries and plant protection are provided in the form of grants and loans in kind to individual villagers or farmer groups. Fencing material to enclose demonstration plots is made available, repayable in three years. Also, beekeepers are supplied with hives, which must be paid for over a three year period in equivalent cash values.

¹ International Bank for Reconstruction and Development, The Economic Development of Jordan. Baltimore, 1957 p. 135.

6. Credit of Cooperative Societies. In the report of the mission by the International Bank for Reconstruction and Development, reference was made to the credit and thrift cooperatives as a useful instrument of credit. The report states:

The establishment and revival of cooperative societies are viewed by the Mission as one of the most significant recent developments towards a constructive solution of the credit problem facing the farming community, apart from the many other benefits cooperation may bring. Credit and thrift cooperative societies can and will provide the link between the small farmer and the credit institutions, public and private, giving the farmer an alternative to state charity or permanent recourse to the money lenders.¹

The report added that no better or more appropriate approach to the rural credit problem could be suggested in Jordan.

In order to describe the cooperative loans, as a distinct type from other loans, the following items will be briefly treated: a) source of funds, b) types of loans, c) methods of credit and problems.

a) Sources of Funds. The funds provided by the Government, through the Department of Cooperative Development, prior to the establishment of the Jordan Cooperative Central Union. As of March 1962, the Government provided 52 percent of the total funds circulating in the cooperative movement, while the remaining 48 percent represented the Cooperatives' own funds.

The sources of the cooperative owned funds included:

¹ Ibid., p. 144.

1) capital accumulated by the share capital, reserves and savings of members, 2) funds deposited by the School Savings' cooperatives, 3) cooperatives' own capital accumulated by the members, and 4) the two percent interest rate charged by cooperatives to members' loans.

b) Types of Loans. Cooperative loans to members are of four types: (1) seasonal, (2) short-term, (3) medium-term, and (4) long-term loans. Each will be discussed briefly:

(1) Seasonal Loans. Such loans are given to members through their local cooperatives to meet urgent agricultural needs. Usually the length of the loan period extends from the harvest season to the next, or approximately from 9-12 months. The cooperative may loan its members from its own accumulated funds, or from loans provided by the Jordan Cooperative Central Union. The seasonal loans are distributed to members once a year at the beginning of the planting and sowing season. Repayment is made at the end of the harvest season. The amount of loan for each cooperative member is approved by the Board of Directors of the Cooperative, in accordance with the member's income from agriculture and other sources. The maximum amount is figured as equivalent to one-fourth of agricultural income and one-half of income from other sources. The Jordan Cooperative Central Union applies the same measure when considering loans to the cooperatives.

(2) Short-Term Loans. The short-term loans are given to cooperatives, payable during a period of one to five years on the condition that they are used for agricultural projects by cooperative members. Such projects include the purchase of tractors, harvesters, olive oil presses, motors for pumping water, vehicles and green houses. Short-term loans are also extended by the cooperatives to individual members who have small projects in need of financial backing.

(3) Medium-Term Loans. Cooperative loans are given to local cooperatives on a medium-term basis, a period ranging from five to ten years, for projects with returns anticipated to give yield during this approximate period. Such loans are obtained from the A.C.C. either directly or through the Jordan Cooperative Central Union.

(4) Long-Term Loans. Cooperative members are given loans for a long-term project such as the purchase of land, housing, irrigation projects, and agricultural industries. The period of repayment ranges from 10 to 20 years. Such loans are also available directly from the A.C.C. or through the Jordan Cooperative Central Union.

As expressed by many members of credit and thrift cooperatives, "the medium and long term loans are preferred on the seasonal loans because a farmer would be financially covered in case of drought seasons". Unless he is rescued by an adequate rainfall, a peasant is unable to repay a

seasonal loan. Then he is forced to approach a money-lender for a loan with a high interest rate in order to repay the cooperative seasonal loan. The Jordan Cooperative Central Union¹ being an infant bank, it could not afford to issue medium or long term loans. It strives at accumulating capital in as short a time as possible. It is important that the J.C.C.U. makes an intensive study of the loaning policy in order to meet the real needs of peasants.

Another factor which does not make the J.C.C.U. enthusiastic about the medium and short-term loans is the fact that the A.C.C. extends such loans to non-cooperative members at an interest rate of four percent while the J.C.C.U. demands a rate of eight percent, half of which is paid by the members to their local cooperative. This makes the cooperative member turn to the A.C.C. instead of his local cooperative for loans. It is essential to have a mutual agreement between the two bodies, the A.C.C. and the J.C.C.U., concerning a sound policy of extending these two types of loans. Otherwise the cooperatives would be faced with a problem of expansion at all levels. In addition, lack of coordination may lead to competition, a condition which adversely affects the growth of the cooperative enterprise.

c) Methods of Credit and Problems. The policy of extending cooperative loans is based on: (1) loan security,

¹ Hereafter the Jordan Cooperative Central Union will be referred to as the J.C.C.U.

(2) interest rate, (3) processing loans, and (4) supervising.

It is relavent to provide a brief statement on each item.

(1) Loan Security. All loans offered by the J.C.C.U. are given oncondition that members provide securities in direct proportion of the period of repayment. The J.C.C.U. secures its funds in the form of loans from the A.C.C.

The Rural credit and thrift cooperatives by the nature of their type, i.e. whether of limited or unlimited liability, are in themselves a security. In addition to this, however, each member must sign a security statement accompanied by two fellow members, or non-members, in the same cooperative as guarantors of the loan. In brief, the J.C.C.U must have the necessary and sufficient evidence that the loans are resonably secured.

(2) Interest Rate. Determination of the interest rates on cooperatives' loans passed through various stages following the expansions of the cooperative enterprise and the availability of credit from the A.C.C.

When the Department of Cooperative Development¹ initiated the establishment of cooperatives, an interest rate of 4 percent was charged on cooperative loans. Returns from the interest were reinvested in the funds circulating, thus increasing the amount of loan-funds, allowing more

¹ Hereafter the Department of Cooperative Development will be referred to as D.C.D.

loans to old cooperatives, and providing allocations for the newly established one. When the D.C.D. turned over the functions of financing to the J.C.C.U. in 1959, the latter charge an additional interest of one percent as a service fee.

Upon the transfer of all funds at the disposal of the D.C.D to the A.C.C. in 1960, the latter charged only one percent to credit given to the J.C.C.U. The cooperative societies accepted the charge of four percent interest rate on loans received from the J.C.C.U. The cooperatives in turn charged their members an additional interest ranging from 1-3 percent subject to the decision of the general membership. Accordingly each cooperative member pays on the loan which he receives from his cooperative an interest rate of 5 to 7 percent. When compared with the interest charged by the commercial banks and that by the moneylenders, it is a reasonable rate.

The interest rate of 4 percent charged by the A.C.C. on loans to non-cooperative members adversely affected the promotion of credit and agricultural cooperatives. In order to avoid the confusion, the A.C.C. raised its interest to 6 percent. The revenue received from the difference of 2 percent is given as a grant to the village or the established local cooperative. This, however, provided an incentive to villagers to organize credit cooperatives and to support the existing ones.

(3) Processing Loans. Methods and procedures in extending cooperative loans vary in accordance with the type and the receiver i.e. loans received by the J.C.C.U., loans to cooperatives, loans for members, and loans for members participating in the agricultural wagers scheme.¹

The major source of funds for the J.C.C.U. is the A.C.C. as stipulated in a mutual agreement. Loans for cooperative societies given by the J.C.C.U. follow two main principles: one, for financing cooperative projects, and two, for providing members with the needed loans. The Board of Directors of each cooperative applies for a loan at the District Office of Cooperation stating the objectives, the form of security, how and when repayment will be made for the amount requested. Applications are studied in Amman, at the Cooperative Central Office, by a designated financial committee which may grant the requested amount, or request additional data from the local Cooperative Field Organizer.

In the case of seasonal loans the application includes detailed information e.g. the names of members, the amount of loan for each, the type--whether in cash or in kind, and how much the cooperative is willing to put up from its own funds.

The Cooperative Field Organizer assists the Cooperative's Board of Directors in filling out the required forms and

¹ Agricultural Wage scheme will be explained in the following Chapter.

then turns them over to the Director of the District Office who in turn sends the forms to the Central Office in Amman recommending the loan. The request then is processed by the Financial Committee whose members represent the D.C.D. and the J.C.C.U. Action is taken on each individual request in light of the available funds and other prevailing conditions.

In collecting loans, the J.C.C.U. sends a notice to the cooperative a month in advance of the due date. Any delay in settlement costs the cooperative extra fees and charges. When the cooperative fails to fulfill the conditions of repayment, arbitrary measures may be taken, which sometimes result in liquidating the cooperative if all other informal and formal measures fail.

As for members' loans, the general practice is to give the loans to all the members at a specific time of the year. A member applies to his cooperative for a loan and states the purpose for which the loan is needed.¹ The Board of Directors of the Cooperative takes the appropriate decision.

The Secretary and Treasurer, members in the Board of Directors, of the cooperative make a list including the members and the amounts of loans requested. When the loan is given by the J.C.C.U., the Board members are supposed to supervise the distribution and repayment of the loan. Often,

¹ Sometimes a member may evade mentioning the real purpose for which he needs the loan. There is no way applied in discovering the truth except the members' own honesty.

however, the Cooperative Field Organizer finds it necessary to give guidance and further supervision and is present at the time of loan distribution. Delinquent members are subject to arbitration, court action and imprisonment if members fail to recognize their responsibility towards repayment.

Recently, it became possible for rural credit and thrift cooperatives to apply for an "agricultural wages" credit program. The funds for this program came from the sale of the American wheat gift to the Government of Jordan,¹ and are disbursed by U.S.A.I.D. Office in collaboration with the J.C.C.U. According to this program, a cooperative may receive a loan up to JDs 3,000 paid in a period of 10 years. The first installment constitutes 15 percent of the loan, and the remainder is paid at the rate of 10 percent annually. A member, however, will receive his subscribed amount after he actually makes improvements in his farm lot, or purchases the tools needed for his farming operations. The difference between the agricultural wage credit and the rural credit and thrift cooperative is (a) an agricultural-wage loan is payable in installments in a period of 10 years. In addition, the member receiving a loan is advised by Agriculture Extension Agents on technical aspects, (b) while the credit cooperative's loan is seasonal and no supervision nor advice on how to utilize

¹ This comes under project PL 480. Returns from sale of American surplus wheat are allocated to developmental projects in Jordan.

the loan are applied. The problems encountered in this respect will be treated in a later part of this study.

(4) Supervision of Loans. When a member receives a loan, it is the function of the Board of Directors of each cooperative to supervise spending and repayment. However, a peasant may spend the loans on non-productive purposes if he is not properly supervised. The D. C. D. and the J.C.C.U. with their limited personnel are unable to provide adequate supervision. The main concern of the J.C.C.U. is to collect the loans on due time. As to how, where, and when a cooperative member spends the loan, it is a secondary concern due to the administrative problems existing. The agricultural-wage program proved to be more practical from a supervision point of view since the loan is issued on the basis of accomplished work.

In summary, there are numerous formal and non-formal sources of credit available to peasants with varient conditions and requirements. It is evident that the private agencies, whether the commercial banks or the moneylenders, care less about the socio-economic improvement of the peasant's condition. At the same time the multiplicity of Governmental credit agencies create confusion and numerous problems. The cooperative societies are distinct in their credit policies and provide the peasants with the opportunity of protecting themselves against the exploitation of self

vested credit agencies. The following Chapters will elaborate on the important features of the cooperative institution.

CHAPTER IV

THE COOPERATIVE MOVEMENT IN JORDAN

In order to evaluate the impact of rural credit and thrift cooperatives, it is essential to provide an insight of the cooperative movement as a whole. Special treatment, however, will be given to those cooperatives dealing with agricultural aspects in rural areas. This Chapter will attempt to review briefly the history of cooperative development and to analyze the administrative structure, the cooperative system, financing and liquidation processes of the cooperative institutions.

A. History of Cooperatives in Jordan. The British Mandate Government initiated the establishment of cooperatives in Palestine as early as 1922. Since the first cooperative in the world was established in Rochdale England in 1844, it was natural for the British to introduce the institution. The first cooperative society to be organized in Palestine was the Palestine Arab Tobacco Growers Cooperative Society Ltd. registered in Acre in 1924.¹ The object of this society was to undertake the marketing of tobacco crops for its members and to grant cultivation advances. The second Arab Society was formed

¹ Report by Registrar of Cooperative Societies on Developments During the years 1921-1937, Jerusalem, 1938 p. 40.

in Jaffa in 1930. It was a co-partnership of orange stevedores, and its object was to pool the earnings of its members. In 1931 and 1932 attempts were made by large citrus growers at Jaffa and Ramleh to organize citrus marketing societies. Eight Arab societies of transport workers and one society of citrus exporters were formed. All of these cooperatives were unable to manage their affairs properly and were doomed to failure. The reasons for failure were stated in the Report of Registrar of Cooperative Societies:

Government took no active part in the formation of these societies. Members were not guided on the proper lines. The members in these societies lacked community of interests and the constitution of the societies was not truly cooperative. At no time of their existence did their members understand the spirit or the principles of cooperation.¹

Toward the close of 1933 the Arab movement entered upon its new phase of development under Government control and guidance. The first credit and thrift cooperatives were formed in this year. The object of these societies was to promote better farming, prevent extravagance, arrange amicable settlement of disputes, accumulation of savings during good seasons as provision for bad years.

The following Table illustrates the position of Arab credit and thrift societies at the end of 1937.

¹ Report by Registrar of Cooperative Societies on Developments During the Years 1921-1937, Jerusalem, 1938 p. 40.

Table 2

RURAL CREDIT & THRIFT COOPS.
IN PALESTINE IN 1937¹

Item	Figures
Number of Coop. Societies	121
Number of Members	5,121
Own Funds LP*	10,492
Borrowed Funds LP	59,456
Loan Issued LP	69,371

Arab cooperatives existed along with Jewish cooperatives throughout Palestine. The British Government, through Bank Barclays extended loans to Jewish and Arab cooperatives.

The Report by Registrar of Cooperative Societies concluded with the following remarks:

Cooperation is a slow growth; it is not only a business but also a spiritual faith. If the achievements of Arab village societies are surveyed from this angle, it will be found that in villages where societies were formed there are already signs and indications that the people are endeavouring to draw together the threads of their social and economic life. A great contributing factor has been the accumulation of their 'own funds'. This is perhaps the first time in the history of the fellaheen that they have seen tangible results fructify from a joint effortA considerable period must elapse, however, before cooperative education takes root and business acumen develops.

¹ The Report by Registrar of Cooperatives, p. 40.

* Sterling Pound equivalent to \$2.80

The report pointed out that the process of rural betterment must be a slow one, that the path is a difficult one and the goal visualized a distant one which entails much concerted planning and action before it can be attained.

Following 1937 and up to 1947, cooperative societies went through a slack period due to political instability. In 1947, the Arab-Israeli conflict had an adverse effect on the cooperative movement in Palestine. Nearly all societies became inactive; members fled their homes to neighboring Arab countries. The savings of the members of credit cooperatives were frozen in the Bank Barclays. The conflict brought the cooperative activities to a complete standstill until the Government of Jordan, following the amalgamation of the remaining part of Arab Palestine with Trans-Jordan in 1950, studied the possibilities of revitalization and extension of cooperative societies in rural areas. This concern came as a result of the grave social and economic conditions created by the plight of Palestinian Arab refugees and the successive drought years. In view of this situation and in order to relieve farmers from exploitation by moneylenders and middlemen, the Government of Jordan decided, in 1952, to take measures to help the farmers by establishing rural cooperatives for credit and saving

similar to the "Raiffeison" cooperatives.¹ The D.C.D. was established following enactment of Cooperative Law No. 39 based on the cooperative ordinance and regulations which the British Government used in 1933. Following the foundation of the D.C.D. industrial cooperatives were formed in accordance with those initiated by Schulze Delitsch in Germany in 1850 for the workers of various labor fields. Other types of cooperatives were gradually introduced, such as consumers, mutual benefit, housing, higher education, transport, marketing, urban thrift and credit, school savings, and women's handicraft cooperatives.

Due to the expansion of the cooperative endeavor, it was essential to modify the provisions of the Cooperative Laws. In 1956 a new cooperative law was issued, Law No. 17. In 1957 a model by-law was issued by the Council of Ministers to serve as a guide to newly established cooperatives. In 1958, By-Law No. 41 concerned with housing cooperatives was enacted. A year later the Jordan Cooperative Central Union was registered under the law of cooperatives, with its own by-law provisions, as a secondary cooperative. It is a

¹ The first person to establish credit and thrift cooperatives of this type was Fredrick Raiffeison, the Burgomaster District Officer of Weyirbusch in Germany in 1864 in a village called Hyderdorf. The purpose of these rural cooperatives was to provide loans by establishing an agricultural bank in rural districts, to encourage farmers to save their meagre resources and borrow wisely for productive purposes, and to work for raising the level of farmers both morally and materially.

federation of primary cooperatives. In 1963, By-Law No. 47 was enacted approving the establishment of the Cooperative Training Institute. Another By-Law was enacted in the same year, 1963, as a result of which the Jordan Cooperative Audit Union was established. The difference between the cooperative Law and the cooperative By-Law is that the former has to be approved by the Parliament and certified by the King, while the latter requires the approval of the Council of Ministers only. In any case, the By-Law must be derived from an Article in the Law.

Thus the cooperative movement in its present status encompasses three major types of cooperatives, namely: the consumer, the producers and the Service cooperatives.

The membership of these cooperatives consists of four major classes of people: a) the farmers, b) civil servants and white collar personnel, c) skilled and semi-skilled blue collar workers, and d) school children. According to the Annual Report of the Ministry of Social Affairs and Labor for the year ending the 31st of March 1963, there were 589 cooperatives with a total membership of 35,331 citizens of the mentioned classes.

B. The Administrative Structure. The present administrative structure of the cooperative movement has been modified to cope with the rapid expansion of cooperative activities. The local Arab cooperative leaders, with assistance from foreign experts, have been able to reach a

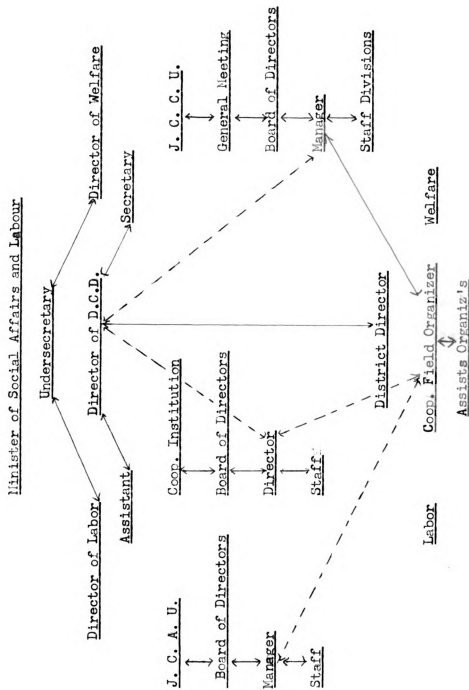
design for an administrative plan to meet the growing demand of business. The structure, however, presents certain problems. It is the purpose of this study to criticize the present structure; our concern is to point out the weaknesses in the system in order to shed light on present conditions of the cooperative enterprise. Before doing so, however, it is essential to describe briefly the interacting elements in the cooperative system.

Basically, the administrative structure follows two levels: one, the central offices located in Amman and, two, the field-district offices situated in the regional districts according to the national administrative divisions. The job titles for staff members in both levels are well defined, and the division of labor among cooperative personnel reflects a centralized pattern. In order to understand the way in which the cooperative enterprise is operating it is necessary to look into the functions of the two levels comprising the administrative structure.

1. The Central Offices. These include: a) the Department of Cooperative Development, b) the Jordan Cooperative Central Union, c) the Cooperative Institute, and d) the Jordan Cooperative Audit Union.

The diagram on the following page describes the administrative structure within the cooperative institutions.

Administrative Structure of the Cooperative Movement in Jordan



There are 8 Districts which are similar to this structure.

The solid lines on the diagram indicate the chain of authority. The arrows indicate the direction of command in executing the various functions and responsibilities. The dotted lines indicate secondary relationships in the chain of authority. For example, the Director of the Cooperative Institute, the J.C.C.U. and the J.C.A.U. derive their authority from the Board of Directors for each institution, while they may be in communication with the Director of the D.C.D. and the District Director. The D.C.D. is actually represented in the Boards of Directors of the Cooperative Institute, the J.C.C.U. and the J.C.A.U. in accordance with the cooperative Law.

Decision making is limited to the specialized staff in the Central Office. Field Staff are called upon occasionally to express opinions on issues related to field operations.

a) The Department of Cooperative Development

Prior to the establishment of the J.C.C.U. in 1959, the D.C.D. was responsible for all activities and programs of cooperatives i.e., financing, servicing, supervising, auditing, registering, arbitration, liquidation and promotion. Following the establishment of the J.C.C.U. the functions of the D.C.D. were limited to: registering new cooperatives, supervising, arbitration and liquidation of failing cooperatives. The financing and servicing functions were shifted to the J.C.C.U. The auditing function became the responsibility

of the Jordan Cooperative Audit Union,¹ and the education-training functions were transferred to the Cooperative Institute.

The D.C.D. constitutes the highest Official authority in the cooperative movement in Jordan. The staff consists of: Director, Assistant-Director, Secretary and Heads of the six divisions. The Director has legislative powers, and the supervision of the various activities of the cooperative enterprise as given in the Law. The Heads of divisions are responsible for guidance, providing technical information and assisting Field personnel in arising problems. The divisions in the D.C.D. are: (1) Credit and thrift, (2) Public Relations, (3) Supply and Marketing, (4) School Savings, (5) Statistics, and (6) Handicraft and Industrial cooperatives.

(1) Division of Credit and Thrift. This Division is concerned with the rural and urban credit and thrift cooperatives and provides the necessary arrangements for registering new cooperatives. In addition, this Division is responsible for arbitration, inspection and liquidation. During the years 1961-62 it was reported that 11 cooperatives were liquidated for violating the by-laws of the Cooperative Law.

(2) Public Relations Division. Prior to the establishment of the Cooperative Institute, this

¹ Hereafter the Jordan Cooperative Audit Union will be referred to as the J.C.A.U.

Division was charged with the responsibility of coordinating educational activities and training programs for cooperative personnel.¹ The Division supplies educational material for a weekly 15-minute radio program and supervises editing and circulation of a publication entitled Sawtu Al Ta'won, Voice of Cooperation. Approximately six issues are released each year with a volume of 5,000 copies per issue distributed to cooperative societies and educational institutions. Other functions of this Division are: planning a by-monthly staff meeting, organizing and planning the celebration of the International Cooperation Day, and supplying foreign and local educational institutions with publications on the progress of the movement.

(3) Supply and Marketing Division. This Division supervises the loans-in-kind given to cooperatives. Frequently such loans take the form of seeds, fertilizers, insecticides and farming equipment. The Division is responsible for supervision of experimental operations for storing and processing of olive oil using modern techniques. It assists the marketing and supply cooperatives in matters requiring Official paper work. The number of marketing and supply cooperatives registered during 1961-62 was 11 cooperatives. The Division also makes economic appreciation studies before and after organizing marketing projects in

¹ This Division was assisted by the American Friends Service Committee, a Quaker Organization, represented by an expert on cooperative education and training. Quakers were in Jordan from 1956 to 1965.

the various districts.

(4) School Savings Division. The school savings' cooperatives have been spreading rapidly since 1959. Such cooperatives are organized in the public, private and UNRWA schools. Through these cooperatives, male and female students are encouraged to save their pennies for the future. A poster stating "save your white penny for your black day" is posted in schools for students. The operation of collecting and keeping financial records of student-participants in the cooperative is done by a committee of students with the help of a supervising teacher. As of March 1963 there were 236 cooperatives with a membership of 17,000 students.

This division makes necessary arrangements for registering new school savings cooperatives, assists in selecting the prize-winning schools and in promotional programs.

(5) Division of Statistics. The compilation of statistical data, classification and tabulation of figures related to cooperatives' activities is the responsibility of this Division. In addition, it supervises the auditing of cooperative's accounts which, in 1964, became a function entrusted to the J.C.A.U.

(6) Division of Handicraft and Industrial Cooperatives. This Division is responsible for promoting and assisting in the development of industrial and handicraft cooperatives. The relationship of cooperative

members in the industrial cooperatives with their respective labor unions is sometimes not too well defined and presents administrative problems. According to the by-laws of industrial cooperatives, a member must join the labor union before applying for membership in the cooperative. Such cooperatives have been making a headway in businesses like tailoring, printing, tile and mosaic, shoe making, and building in spite of difficulties of marketing and competing with big merchants. This Division assists the cooperatives in promoting new business techniques and in strengthening the cooperative industry.

The above mentioned Divisions have highly specialized and trained personnel who are Governmental staff and are stationed in the Ministry of Social Affairs and Labor, in Amman.

2. Jordan Cooperative Central Union. The J.C.C.U. is the first secondary cooperative in Jordan. It was established in 1959 for the purpose of extending and administering loans, providing agricultural equipment and services to affiliated cooperatives.¹ It maintains central headquarters and has its own personnel cadre in both the field and central offices. It is an autonomous institution, yet programs and policies are planned jointly with the D.C.D.

The supreme authority of the J.C.C.U. is the general meeting. At the annual general meeting of members'

¹ Al-Itihad Al-Ta'awuni Al-Markazi, J.C.C.U., By-Law Amman, 1959 p. 1.

representatives, a Board of Directors is elected on a regional basis. The Board consists of nine members serving for a term of two years and three new members are elected annually. Agricultural cooperatives are represented on the Board by six seats. The industrial have one seat, and the remaining types of cooperatives have the remaining two seats. At the general meeting each society has one vote if the membership is less than 100 members. One additional vote is given per hundred members. Special general meetings can be called at the request of the Director of the D.C.D., the Chairman of the Board of J.C.C.U. or two-thirds of the voting members.

The Board appoints a general Manager who is bonded and designated for the execution of policies and programs chartered by the Board. In order to perform his duties, the Manager appoints personnel subject to the approval of the Board. The administrative structure of the operating Divisions and the field personnel has been undergoing constant modification in order to provide efficient services. At the central Office, there are the following sections: public relations and personnel, marketing, supply, banking, insurance and school savings. For each section there is a Senior Staff and assistants in accordance with the size of operations. These sections work closely with the Divisions of the D.C.D. Recently the field staff, who were Government employees, became seconded to the J.C.C.U., thus making the volume 85 staff members. This is a considerable

increase from 5 staff members in 1959. As the demand for services increases, the need for more qualified personnel becomes greater.

3. The Cooperative Institute. Experience has proven in the cooperative movements in the world that the development of an effective and successful cooperative depends upon the existence of a well-informed membership which understands and supports the objectives and principles of the movement. In recognition of this, in 1963, the Council of Ministers of Jordan enacted Regulation No. 47 providing for the establishment of the Cooperative Institute and charged it with the responsibility of broad training and educational programs for members, elected officials and employees of the cooperatives in Jordan as well as in neighboring Arab countries.¹

The Institute is administered by a Board of Directors consisting of seven members represented as follows: three members from the Government sector, namely the Ministry of Social Affairs and Labor, Ministry of Education, and Jordan Development Board, three members designated by the J.C.C.U. and one member from the AFSC project staff during the period of their operation in Jordan.² The government

¹ The Cooperative Institute, Publication No. 1, Amman 1963 pp. 1-3.

² Mr. Herbert Fledderjohn from Farm Bureau Cooperative of Indiana, USA, has been AFSC project director since 1962. AFSC stands for American Friends Service Committee.

representatives are permanent, while those of the J.C.C.U. are assigned to a two-year term. The Board appoints the Director, who in turn hires administrative staff and supervises the training programs. The Institute maintains a library, audio-visual aid equipment and issues publications and other teaching materials.³

The United Nations Food and Agriculture Organization views the presence of a cooperative Institute in Jordan as a useful device for training of cooperative personnel from neighboring middle Eastern countries.

Since its establishment, the Cooperative Institute conducted 23 training courses ranging from one to twelve weeks for 80 staff members of the J.C.C.U., J.C.A.U., and the D.C.D., also for Directors of Industrial cooperatives--35 members and village cooperative leaders. Other educational schemes of the Institute include a 'cooperative film program' shown in villages and cities, granting scholarships for studying cooperatives by correspondence with the Plunkett Foundation in London.

4. Jordan Cooperative Audit Union. An important annual activity of the staff of the central and field Offices is auditing the accounts of all cooperative societies. The J.C.A.U. was established in 1964 and was charged with the responsibility of auditing. The by-laws of the J.C.A.U.

¹ Ford Foundation made a grant of 50,000 US dollars towards the operating costs and for a new building. This amount is to be spent over a period of three years beginning Nov. 1963.

state that cooperatives must be affiliated members and are required to pay a nominal fee. The J.C.A.U. is governed by a Board of Directors elected from the general membership of the affiliated cooperatives. The Board appoints a Director who hires staff pending the approval of the Board. Financing resources are derived mainly from the membership fees and auditing charges. Present staff consists of 12 auditors, including the Director and a secretary.

The significance of this Union is that it contributes to the operations of the cooperative movement. Performing its function, the Union makes cooperatives less dependent on audit corporations, and thus avoids high charges in addition to the educational experience given to Treasurers of cooperatives.

2. Administration at the Field Level. The administrative organization in the field follows the division of the country into Districts. Presently there are eight districts. These are: Amman, Ajloun, Karak, Maan, Zarka--on the East Bank of River Jordan, and Nablus, Jerusalem, and Hebron--on the Western Bank.

The District Office of the Ministry of Social Affairs and Labor consists of three main divisions: labor, social welfare, and cooperatives. These divisions are under the supervision of the District Director. For each division there is a senior field staff member and assistants responsible for the affairs of cooperatives, social welfare and

in the respective district.

A recent modification in the administrative structure of the District Office related to cooperative personnel gave autonomy and separate Office. Cooperative Field Personnel now are responsible directly to the Manager of the J.C.C.U., and in various matters e.g. legislation, registration, communication, flow to the Central Offices through the District Director.

The field personnel are headed by a Senior staff who divides the labor among the staff in such a way to provide services to cooperatives established in the District. The services include: supervision of distribution and collection of loans, guidance and assistance in holding annual meetings, and inspection of accomplishment of designated projects. Field cooperative personnel are recruited and trained for administration and organization of cooperatives. Regarding technical information related to agriculture, animal husbandry, poultry and farming, the Agriculture Extension Agent in the area provides assistance in his field of specialty. The need for coordination among the agencies operating at the village level i.e. agriculture extension, health, education, cooperation, agriculture credit and public agencies is essential.

3. Administration at the Cooperative Level. The management of a cooperative is invested in the members of the Board of Directors elected annually by the general membership. Rural cooperatives often re-elect the same

Board members for various reasons, some of which are: satisfaction in ability of the former members, lack of candidates, or escaping the responsibility, ignorance in handling the functions and giving way for the elderly kin. The membership, however, is keen on electing those members who are literate, local leaders and men of power in the local village community. Five to seven members are usually elected as Board members. The Board elects a Chairman, a Secretary, a Treasurer in addition to sub-committees e.g., financial, inspection, and cultural, from the Board or the general membership. Cooperatives with complicated business operations are encouraged to employ paid managers, accountants or secretaries as in the case of housing, transport, and multi-purpose cooperatives.

The Chairman or the Secretary of the Board communicates with the cooperative Field personnel in matters of services, loans, consultation guidance and in solving merging problems.

In general, rural cooperative members lack the technical skill, knowledge and methods of operating the business. In most villages, it is for the first time that villagers belonging to different kinship groups work together in a business-like manner. The institution of cooperatives is a new element in the traditional culture.¹

Farmers are slowly becoming cognizant of this modern

¹ See Appendix F which explains the process of organizing a cooperative society in villages.

new form of cooperation with one another, and it is not surprising that ordinary farmers have been gradually acquiring the skill of running their own business. However, one cannot be optimistic about rapid and big changes over a short period of time in the rural communities.

C. The Cooperative System. In the main, the functional structure of cooperative societies represents a limited number of variations on a set of principles developed by a small, humble group of weavers from the flannel mills of Rochdale England. These principles have been generally accepted by cooperatives around the world, and make the following provisions: 1. membership open to all, 2. democratic control--one member, one vote, 3. limited interest on share capital, 4. refunds to patrons in proportion to their patronage, 5. constant education, 6. neutrality in race, religion and political affiliation, and 7. constant expansion.

The two major assumptions underlying this set of principles are one, that a cooperative should operate for the benefit of its members as users not as investors and, two, that the members as owners-users should control the organization.

The cooperative movement in Jordan consists of various types of cooperatives functioning in villages, towns and cities. The variation is an indication of consistent growth achieved in a period slightly more than a decade.

Actual growth, however, in such institutions is measured by quantity and quality of services provided for the members in the improvement of their social and economic conditions.

In order to evaluate the position of rural credit and thrift cooperatives, it is relevant to review, briefly, the magnitude of other types of existing cooperatives. The cooperative system encompasses various social groups e.g., farmers, the laborers, the white collar workers and the students. Such a wide variation in membership often presents administrative problems which complicate promotion and control in a developing country like Jordan.

The following Table shows the distribution of cooperatives in Jordan as of March 1963.

TABLE 3
THE POSITION OF THE COOPERATIVE
MOVEMENT IN JORDAN¹

Type	No.	Members	Share Capital JDs	Reserves JDs
Rural Credit & Thrift	228	11,225	69,270	92,052
Agricultural	40	1,663	32,014	16,461
Industrial	10	265	11,143	6,676
Urban Thrift & Credit	25	1,409	13,299	5,823
Supply	13	1,740	12,155	3,870
Housing	11	401	8,268	33,136
Transport	10	595	11,137	671
Handicraft	4	159	145	1,776
Mutual Benefit and Higher Education	5	355	2,458	504
Health Insurance	1	44	-	440
Electrical	1	178	2,625	-
School Savings	236	17,280	-	12,000
Totals	589	35,314	238,564	178,409

¹ Annual Report of the Ministry of Social Affairs and Labor, Amman p. 49.

As shown in the Table, the agricultural cooperatives constitute nearly two thirds of the total. The remaining one third includes a wide variety of non-agricultural cooperatives such as urban credit and thrift, transport, industrial, handicraft, housing supply, mutual benefit and higher education, and health insurance. As for membership, the peasants, next to school children, represent the highest representation in the total membership. The figures in the given Table seem small when compared with cooperatives in the world. According to Margaret Digby, as of 1963 there were 600,000 cooperatives of various types with a total membership of 18 million persons.¹

In order to understand the nature of the cooperative system it is essential to describe, briefly, the functions and objectives of the types of existing cooperatives in Jordan.

1. Agricultural Cooperatives. Agricultural cooperatives include the rural credit and thrift societies. They make up 64.5 percent of the rural cooperatives (268 out of 353, excluding the school savings cooperatives) and cover about two fifths of the villages in the Kingdom. Each of the rural credit and thrift and the agricultural cooperatives will be treated separately.

a) Rural Credit and Thrift. There are three types of rural credit systems under this category: (1)

¹ Margaret Digby, Cooperatives, Plunkett Foundation, England, 1965 p. 13.

seasonal credit, (2) agricultural wages, and (3) supervised credit.

(1) Seasonal Credit. In spite of the presence of credit and thrift cooperatives, farmers are still, by and large, dependent on merchants and moneylenders for credit. The reasons moneylenders dominate rural credit are social and economic. Traditional ties persuade a villager to borrow from his kin regardless of the high interest rate charged. Also, moneylenders make credit available at all times to meet the needs of the villagers, while cooperative seasonal credit is given only once a year, or once every two years. The seasonal credit is given after the settlement of the previous loan and before the planting season. In case villagers were faced with a drought season, the repayment is postponed until another harvest with the exception of the added interest which is paid despite the postponement. The collection of loans is generally pursued during the harvest season when farmers have the funds. The seasonal credit enables villagers to make available their farm needs and necessary field operations. In addition, the credit cooperative encourages farmers to save and build up a reserve for future use. Seasonal credit is insured e.g., in the case of death of a member the J.C.C.U. pays the loan to the cooperative against an annual charge of one percent paid by the member. No supervision is applied on seasonal loans, and a member may

use the loan for consumption needs of his family. The following Table shows the progress achieved by credit coops.

The Table indicates impressive progress in the share capital and the members' savings. In 1953-54 the share capital was JDs 2,281, and the savings were JDs 29, and in 1962-63 the share capital increased to JDs 69,270, and the savings went up to JDs 54,721. Also the average loan per member has increased in the above years from JDs 21 to JDs 54, and the reserve capital increased from JDs 647 to JDs 92,052. When a member receives a seasonal loan, about one percent is deducted from the loan and a similar figure for security. At the end of the financial year, about 80 percent of the profit made on member's loans is allocated to the member's reserves.

The growth of share capital, reserve capital and members' savings in rural credit and thrift cooperatives is indicative that villagers' ownership is a potential asset. When compared with figures of the cooperative movement, the credit cooperatives' reserve capital constitutes 59 percent, the share capital 29 percent, the members' savings 56 percent, and the loans to farmers constitute 80 percent of total loans received by all cooperative members.

The funds of rural credit and thrift cooperatives are deposited in the J.C.C.U. and can be drawn at any time with a request signed by the Secretary and Treasurer of the cooperative. The credit cooperatives aim to reach a

Table 4

Development of Rural Credit and Thrift
Cooperatives Between 1953 - 1963

Year	Coops	Members	Share Capital JDs	Average Members JDs	Reserve Capital JDs	Average Member JD	Members Saving JDs	Loans Member JDs	Average Per Member JDs
53/54	40	1,806	2,281	57	647	16	29	39,176	21
54/55	57	2,684	5,499	96	3,665	64	1,376	67,522	25
55/56	110	4,090	11,792	107	9,750	89	4,830	149,735	30
56/57	122	6,116	19,459	109	18,982	155	10,627	122,682	46
57/58	151	7,854	29,054	199	31,487	208	20,385	321,642	41
58/59	164	9,053	40,527	241	43,495	265	30,635	390,824	43
59/60	163	9,401	51,950	319	43,589	206	40,315	437,463	47
60/61	196	10,386	56,502	288	58,223	297	45,596	458,191	47
61/62	202	11,042	63,582	315	74,561	396	31,889	484,263	44
62/63	228	11,225	69,270	303	92,052	303	54,721	602,072	54

Source: Annual Report of the Ministry of Social Affairs and Labor

position whereby they function as small banks issuing loans to members at any time.

(2) Agricultural Wages. Also known as "incentive payment," this is a form of credit which utilizes the funds given by the United States Government to Jordan under Public Law No. 480 from the sale of surplus wheat in local markets. Under this program the funds are given to the Agricultural Credit Corporation which provides grants to the J.C.C.U. for developing cooperative projects; the J.C.C.U. channels the funds to rural credit and thrift cooperatives on loan bases. Members who receive such loans make repayment in a period of 9 years. The maximum grant for a single cooperative, in accordance with the provisions of the grant, should not exceed JDs 3000, nor can one member receive more than JDs 100.¹ As far as the members are concerned the JDs 100 are a loan which must be paid to the cooperative of which they are members. Payment is made as follows: 15 percent is deducted from the loan when received, 70 percent is paid during a period of seven years and 15 percent is paid at the end of the eighth year.

This program has proved to be more productive than the seasonal loan because it is supervised by the joint

¹ American Friends Service Committee Interim Report, mimeographed, Amman 1963, p. 16.

efforts of cooperative field personnel, the extension workers and representatives of U.S.A.I.D. As of 1963, there were 40 agricultur-wage cooperatives with a total membership of 1,663 members who received a total of JDs 89,601 for the following accomplishments:

1. clearing an area of 2,984 Donums of land from stones and rocks in addition to deep ploughing of an area of 4,090 Donums,

2. reclamation of 1,231 Donums of land for pasture, and planting an area of 3,879 Donums with fruit trees,

3. erecting stone fences for soil conservation, with a length extended 235,963 meters.¹

The agriculture-wage program proved to be a useful tool for villagers in their quest for improving their farm-lots.

(3) Supervised Agricultural Credit. This is a recent project in the cooperative movement and is currently conducted on an experimental basis with the collaboration of the American Friends Service Committee. The main objective of this scheme is to enable farm families to become soundly established in successful, well-balanced systems of farming. This is to be accomplished through credit, short and medium terms, counseling, farm planning, technical advice and assistance.²

¹ Annual Report of the Ministry of Social Affairs and Labor, Amman, 1964 p. 51.

² American Friends Service Committee, Interim Report, mimeographed, Amman, 1963 p. 17.

Although the supervised agricultural credit is in an infant stage of development, the experience in the villages of Um El Basateen, a village situated 24 Km southeast of Amman, and Artas near Bethlehem have shown a substantial progress. The project of Um El Basateen provided the rural credit and thrift cooperative members with 10 head of sheep for each as a loan-in-kind, following an intensive individual study for the members. As for the project of Artas cooperative, members received the material for building small water pools near their farms, thus enabling each member to have a conserved water source to irrigate their land.

The results achieved thus far have been encouraging to the extent that present thinking of cooperative officials is to apply this scheme on a wider scale in the Kingdom.

b) Marketing Cooperatives. Next to the credit problem, peasants face the problem of avoiding the middle-man or Comisunji in marketing their produce. The objectives of marketing cooperatives include: to advance loans to members on the security of their crops, to arrange for the sale of produce to the best advantage of the members and the consumers, to provide seeds, implements and other agricultural requirements, to undertake activities in connection with grading processing and packing of produce and to promote the economic interest of the members by encouraging self-help, through thrift and better farming methods.

There are eleven marketing cooperatives operating in Jordan which extend marketing services to members whose production includes citrus, vegetables, olive oil and poultry.

While the marketing function is of extreme importance to cooperatives, there are numerous services needed to make the marketing operation more efficient. Marketing vegetables and fruits through cooperatives is limited, at the present stage, to the sale of members' produce i.e. the member has to bring the produce to the cooperative station and the product is sold on commission basis. Minimum processing, grading and packing is done. The market is limited to local consumers and grocery shops. Outside markets are being considered but cooperatives have no agents in those countries which could use the produce. Refrigeration and cold storage are not in existence. In addition, marketing cooperatives face problems in obtaining licenses for exporting.

Marketing cooperatives, in spite of the numerous limitations, have helped villagers in ridding themselves from the Conisunji and the merchant who previously exploited them. In one newly established cooperative only 25 percent of the members sell their produce through their cooperative. Often members who are not fully cognizant of the advantages of marketing through their cooperative are easily tempted to sell to merchant competitors for a few pennies more. In order for the marketing cooperatives to

succeed, additional services such as pick-up of produce, technical and educational guidance and providing better quality of seeds and implements to members are needed.

Other types of agricultural cooperatives include the multi-purpose agricultural which provides the members with implements, loans, seeds, insecticides, and other household goods. One cooperative established in the Ghor area in Wadi Yabis extends the services of tractor and farm machinery repairs in addition to maintenance and gasoline.

2. Non-Agricultural Cooperatives. Non-farmer groups such as civil servants, unskilled laborers and kindred groups felt that a cooperative is a source for relieving them from economic and social problems, e.g. obtaining loans, housing, health service, higher education and steady employment. The non-agricultural cooperatives include: urban thrift and credit, supply, housing, transport, handicraft, mutual benefit and higher education, health insurance, electrical, and school savings. Each type will be treated briefly.

a) Urban Thrift and Credit. Such cooperatives attracted employees and those employed individuals with limited income in large towns and cities. There are 25 cooperatives with a total membership of 1,409, with each member supporting a family of approximately 5 persons. Funds are derived from members' deposits and share capital. Loans to members may be used either for provident purposes,

domestic capital expenditure, or for investment in small businesses, e.g. stock in trade, tools, raw material, etc. Such cooperatives provided a useful source of loans for breadwinners of many families of limited income. The savings of the members in 1963 were JDs 20,240, with a net surplus of JDs 2,044 and accumulated owned assets of JDs 64,542. These cooperatives aim at developing a capital whereby they become self-financing institutions.

b) Supply Cooperatives. The objective of supply cooperatives is to provide their members with necessities of life with emphasis on sound quality and reasonable prices. Patronage refunds are paid to members in proportion to the business and patronage. In 1963 there were 18 societies with 1,740 members. Supply cooperatives are operating on a small scale and they form the nucleus for a large retail and wholesale enterprise serving a wider segment of population.

c) Housing Cooperatives. Next to food and clothing, housing shortages constitute an urgent problem in Jordan. Cooperative housing differs from municipal or private schemes, for the latter is considered a political venture while the former is the organization of a group of tenants who gradually become owners of their own homes. They contribute such capital and labor power as they can, and money is borrowed on long term credit. The landlords are tenants.¹

The need for adequate housing for middle income people

¹ James Warbasse, The Cooperative Way, New York 1964 p. 39.

propagated the establishment of cooperatives. There are 11 registered cooperatives, with only two which completed the establishment of house units for the members. These are: the Jerusalem Post Office Housing Cooperative, and the Jericho Settlement Cooperative. In a recent study on the Jerusalem cooperative it was found that 75 percent of the members were living in unhealthy, crowded small rooms in poor neighborhoods. The entire membership expressed extreme satisfaction in the new environment because the houses have adequate space in a convenient location. The services offered by the cooperative include medical, grocery, transportation, higher education and a social club.¹ As for the Jericho cooperative, it is encountering numerous problems because the real need for housing was not present, and the desire to have a second winter home was the chief purpose of the organizing members. The remaining nine cooperatives are making plans for accumulating capital, purchasing land and locating credit sources.

d) Transport Cooperatives. Cooperative transport takes various forms such as the bus service and ferries in Ceylon and Finland or trucks for carrying produce to market in England and the United States.² In Jordan, transportation to and from isolated village communities is not

¹ Ishaq Qutub, "A Study on Housing Cooperatives," unpub. paper, The Cooperative Institute, Amman, 1964 p. 5.

² Margaret Digby, The World Cooperative Movement, London, 1965 p. 164.

adequately covered. Although the Government is active in constructing roads to reach many villages, traditional forms of transport remain in existence. Horses, donkeys, mules and camels are chief methods of transportation from one village to another, and even to cities. Cars and trucks are often hired for marketing grains, vegetables and fruits but are expensive.

Inspired by the advantages of cooperatives, farmers and urbanites sought to establish transport cooperatives. Up to 1963 ten societies were registered with the membership of 595 rural and urban individuals with a working capital of JDs 32,292. Transport services provided the non-members with reasonable treatment and avoided them the exploitation of private transport corporations. Established cooperatives use buses so far and aspire to expand by utilizing taxis and small buses.

e) Handicraft Cooperatives. This type of cooperative was organized to enable mothers and women of middle and low income families to earn an income by working in needlework, dressmaking and handicrafts. There are four cooperatives with a membership of 179 women with a business volume in 1963 amounting to JDs 5,513. Participation of women in the cooperative enterprise has great potentialities for utilizing skills and manpower in productive purposes.

f) Mutual Benefit and Higher Education Co-ops. The objective of these cooperatives is to provide the

opportunity for sons and daughters of the members to pursue higher education, following graduation from high school, through monthly savings and loans from the J.C.C.U. Following the university education, beneficiaries make repayment to the cooperative in monthly installments. Such cooperatives are the answer for middle and lower income civil servants who ordinarily find it difficult to finance the university education of their children. In 1963 there were five cooperatives of this type, with a membership of 355 families who accumulated in share capital and reserves the amount of JDs 2,962.

Additional services to members include: financial assistance to needy families, the unemployed, the aged and the disabled. Such assistance is motivated by the traditional method of helping one another in times of stress.

g) Industrial Cooperatives. Artisan cooperatives are associations of skilled and semi-skilled craftsmen and industrial workers. By organizing a cooperative, workers of the same skill are able to establish a common workshop and secure for themselves some of the economics of large scale industry and undertake production of commodities which is not otherwise possible for a producer to achieve in his individual capacity. The organization of Artisan cooperatives is of special significance for developing countries.¹

¹ K. R. Kulkarani, Theory and Practice of Cooperatives in India and Abroad. Vol. 1, Bombay 1962 p. 160.

Artisan cooperatives in Jordan were initiated because of the difficulties and problems facing the trade unions which were organized in 1954. Due to internal political instability, unions were suspected by the Government, and their influence was rather limited. Laborers suffered from exploitation from big businesses before the establishment of the Department of Labor in 1960. The formation of artisan cooperatives meant the rescue of workers from injustice and gave them the dignity and self-respect.¹ Artisan groups who successfully organized their human and material resources include the shoemakers, building workers, the printing press workers, the tailors, clearing goods agents, and the workers of marble and mosaic.

As of 1963 there were ten artisan cooperatives with a membership of 282 laborers located in the cities of Amman, Jerusalem, Nablus and Karak. The volume of business during the fiscal year 1961-62 was JDs 158,542, representing a 15 percent increase over the previous year. The small industrial cooperative enterprises, if given the proper financial backing and support are able to gradually become big businesses allowing more workers to join and offering consumers high quality of services.

h) Health Insurance Cooperatives. A health insurance cooperative may start by employing a physician to

¹ Report on Artisan Cooperatives, unpublished, The Cooperative Institute, Amman, 1964 p. 3.

do what he, as an expert, can do to keep the members and their families in good health at a reasonable cost. There is one cooperative of this type in Jordan with a membership of 45 families all living in the town of Beit Sahor near Bethlehem. The members assigned a physician who provides treatment to the families and performs surgery at a fixed charge. Annual physical check-up is a regular service. In addition, there is a pharmacy for the cooperative, and future plans call for establishing a cooperative hospital. This is considered an advantage to villages which are in need of health services and are not adequately covered by Governmental health services.

i) Electrical Cooperatives. In one village located in the District of Nablus, the inhabitants felt the need for electricity and were determined to achieve this objective by organizing a cooperative. Nearly two-thirds of the families of the village (187) joined the enterprise. Villagers collected JD s 3,000 and borrowed JDs 6,000 from the J.C.C.U. and were able to provide electricity to the villagers' homes and allow small workshops e.g. blacksmith, carpenters, etc. to operate in the village. Villagers are proud of this effort. As a result of their success, they organized a rural credit and thrift cooperative.

j) School Savings' Cooperatives. In addition to saving their pennies, school students in elementary, intermediate and high schools are given the opportunity to be

trained in leadership and responsibility in a democratic action and the development of thrift habits. There were 236 school cooperatives in 1963 with a membership of 17,280 students throughout the Kingdom. As in Cyprus, the school societies in Jordan are devoted primarily to encouraging school students to save until they graduate from their schools. Since 1959, the year the school cooperatives were initiated, the total savings amounted to JDs 10,284. In Jordan one out of six schools has a school cooperative, and the ratio of rural vs. urban school cooperatives in 1963 was 2:3. Urban students tend to save more than rural students, and females seem to be more active in saving regularly than the male students.

In addition to saving, students are trained in holding meetings, keeping financial records of savings, and conducting extra-curricular activities as a group, such as trips, films, lectures, recreational and sport programs. Students develop the sense of participation in a democratically controlled cooperative. Teachers also take active part in guiding and assisting their students in this endeavor.

1. Cooperative Finance. The cooperatives, by definition, are formed by men of small means, peasants, industrial workers, small traders and craftsmen. It may be asked how capital has been accumulating for the growing cooperative

¹ Margaret Digby, The World Cooperative Movement, London, 1960 p. 167.

undertaking which exists today. In a developing country like Jordan the opportunities for creating a financially self-sufficient cooperative movement are less than those of European and Western countries. Not only are the available financial resources of members smaller, but habits of regular saving and accumulating capital for the distant future often do not exist.

Since the establishment of the cooperative movement in 1952, the Government of Jordan has provided a financial source for loans. The rationale behind this action is to accelerate the cooperative enterprise on economic scales in a sufficiently short period of time in order to satisfy the aspiration of people for rapid progress. Furthermore, the Government aimed at rescuing farmers and low income citizens from the exploitation and abolishing mortgage of property and agricultural produce. The Government facilitated the flow of funds from 1952 until 1959 when the J.C.C.U. was established. The Table on the following page indicates the contributions of Government to cooperative finance from 1953 to 1963.

It is important to point out that in 1960, when the A.C.C. was established for the purpose of supervising Governmental funds especially allocated for agricultural development, loans to cooperatives were appropriated by the J.C.C.U. In the same year the amount of JDs 368,315 was transferred from the D.C.C. to the A.C.C. so that the

TABLE 5
GOVERNMENT LOANS TO COOPERATIVES 1953-1963¹

Year	Amount JDs
1953-1954	41,854
1954-1955	36,000
1955-1956	110,000
1956-1957	125,000
1957-1958	48,000
1958-1959	50,000
1959-1960	4,000
1960-1961	412,000
1961-1962	541,000
1962-1963	639,000
Total	2006,854

latter can be entrusted in channeling financial support to cooperatives in behalf of the Government.²

In 1961 an agreement concerning loan procedures was concluded between the A.C.C. and the J.C.C.U. to verify the loaning policy of the medium and long term loans to

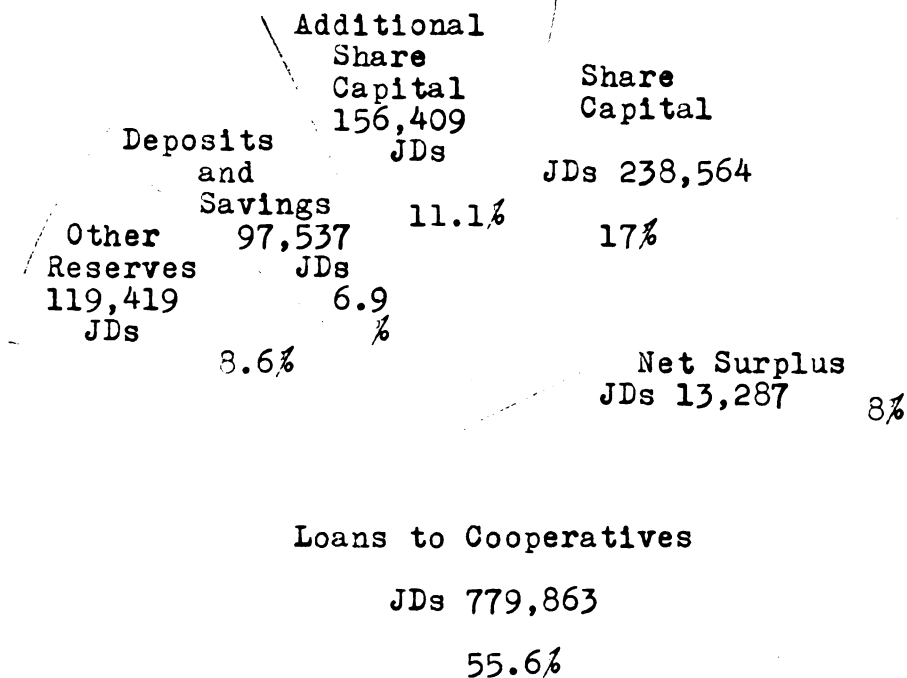
¹ Muhiddin Qutteineh, "Cooperative Movement in Jordan," unpub. paper, the Cooperative Institute, Amman 1963 p. 3.

² Ibrahim Abdul Rahman, "Agricultural Credit in Jordan," unpub. paper, Amman, 1963 p. 15.

cooperatives. In 1963, the total amount of loans given by the A.C.C. to the J.C.C.U., in view of the agreement, constituted 52 percent of cooperative circulating funds. The remaining 48 percent represented cooperative owned funds, which are derived from the deposits and savings of members, the share capital, the school savings cooperatives, and other sources. At the option of cooperatives, their funds are deposited in the J.C.C.U. including savings and shares. Cooperatives affiliated to the J.C.C.U. receive an interest of three percent on shares and deposits. Other sources of financing include, one, value of interest on J.C.C.U. funds which are deposited in local commercial banks, and two, grants from the Jordan Development Board, United States Aid, and British Aid. Such contributions take the form of cash and in-kind. The following Chart illustrates the proportionate distribution of circulating funds in the cooperative movement.

The total funds circulating amounted to JDs 1,405,079, with the highest percentage (55.6) allocated for loans. As for the net surplus, JDs 13,287, it is neither proportionate nor adequate. This was due to delinquency in repayment of loans.

CHART 1

FUNDS CIRCULATING IN THE COOPERATIVE
MOVEMENT AS OF 3/31/1963¹

A research study of economic appreciation on the financial position of the J.C.C.U. will support a sounder policy of financing. It is relevant to treat briefly how the funds are utilized in servicing the constituent membership of the cooperative enterprise. Attention will be given to rural cooperatives.

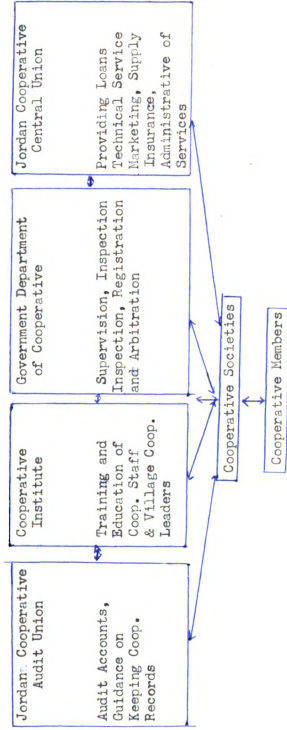
¹ Annual Report of the Ministry of Social Affairs and Labor, Amman, 1964 p. 58.

2. Services to Rural Cooperatives. In the previous pages it was shown that villagers were provided with a range of services by the local cooperatives. The cooperative institutions, the D.C.D., the J.C.C.U., the J.C.A.U. and the Cooperative Institute jointly organize programs and projects directed toward providing cooperative members with such tools to increase economic production and social welfare. The attempt aims at offering the needed services to farmers through their cooperatives so that they become better producers and enabling them to buy goods and helping themselves in achieving these goals by way of joint utilization of resources. Rural cooperatives are established in view of basic elements: a) when there is a need of the services, b) the desire on the part of the members to organize, c) the presence of potential membership, and d) the presence of individuals who are willing to assume the responsibility of leadership needed to carry out the objectives sought. Given these elements, members seek to patronize their cooperative for conducting business in accordance with the type of cooperative to which they affiliate themselves.

The business that most villagers do through the cooperative may range from taking low interest-rate loans, purchase of seeds, fertilizers, insecticides, farm machinery, marketing agricultural produce, receiving wage-loans, patronizing transport facilities, health, education, electricity, irrigation, supply, saving, and receiving training on how to manage their own business enterprise.

Chart 2

Service of Cooperative Institutions in Jordan



- Objectives Sought:
1. Preventing Exploitation
 2. Providing the opportunity to participate
 3. Promoting local economy
 4. Development of credit planning and thrift habits.

The preceding Chart shows the available services in the cooperative movement to members in the first place, and to citizens in the second place.

The extent to which villagers benefit from the wide range of services provided by cooperative institutions depends, by and large, on their real understanding of aims and principles of the enterprise they operate; and the effectiveness of the leadership and administrative machinery of those institutions. Villagers are motivated toward achieving the development of socio-economic conditions, with the proper utilization of available human and natural resources, as follows:

- a) prevention of exploitation by financiers, money lenders, merchants and middle men,

- b) given the opportunity to participate in determining policies, programs and scope of activities of their own choice,

- c) strengthening their local economy, starting with themselves as individuals, which leads to economic improvements on a national scale,

- d) development of thrift habits and credit planning among villagers who are trained in such activities for the first time in their lives,

- e) facilitating advice by which villagers become leaders of sound business operations.

Inevitably some villagers are enthusiastic, enlightened and receptive to the cooperative idea and ideal more readily than others in the same village. However, it is believed that given the opportunity, and making good use of it, villagers will improve their social and economic positions.

The experience of cooperative action, during its span of existence, has been viewed by experts as conducive to progress. Nevertheless, success cannot be achieved unless adequate planning is made to decrease the number of problems encountered. During the span of a decade there have been numerous cases which inevitably led to arbitration and finally to the liquidation of cooperatives. It is important in this Chapter to mention this aspect of the enterprise in order to give a true picture of the position of the cooperative system.

3) Liquidation of Cooperatives. Usually, cooperatives which fail to achieve the objectives set forth by the members at the establishment of a cooperative are dissolved according to the provisions of cooperative law in Jordan. The Commissioner of Cooperatives--Director of the D.C.D.--has the authority to issue the order of liquidation or dissolution. This order is based on a decision adopted by two-thirds of the constituent members.¹

Through the history of the cooperative movement, a

¹ Al-Tashri Al-Ta'awuni (Cooperative Law), Ministry of Social Affairs and Labor, Cooperative Press, Amman, 1959 p. 21.

total of 47 cooperatives of various types were liquidated. The Table following indicates the types and number of cooperatives dissolved since 1955.

TABLE 6

LIQUIDATION OF COOPERATIVES¹

Type of Cooperative	Number
Rural Credit and Thrift	15
Urban Thrift and Credit	4
Agricultural	8
Multi-purpose	5
Housing	4
Consumers - Supply	2
Transport	3
Industrial - Artisan	3
Mutual Benefit	1
Agricultural - Industrial	1
School Savings	1
Total	<u>47</u>

It is evident that rural credit and thrift cooperatives represent the highest number of liquidations. When peasants rush into the registration of a cooperative without real understanding of the principles and organization, they are liable to misuse or misinterpret the objectives. Sometimes, for reasons of carelessness and mismanagement, members lose confidence in leadership, and fights break out which lead to the liquidation.

¹ Statistical Files of the Ministry of Social Affairs and Labor, 1955-1963.

There are three types of liquidation of a cooperative: 1) automatic, 2) voluntary, and 3) compulsory. The automatic liquidation is applied when the remaining membership falls below seven members, the number required by the law. The voluntary liquidation is applicable in any of the following cases: merger with another cooperative, loss of capital making it impossible to carry on and achieve the objectives, or when the members voluntarily elect the dissolution. As for compulsory liquidation, it is applied when it becomes evident that members are disorderly in the affairs of the cooperative and have committed repeated violations of the laws.¹

The normal sequence of liquidation is the following:

cancellation of registration, appointment of an official liquidator who investigates the administrative and financial order, presented in a report and recommendation. Then funds, either for the members or debts, are distributed in accordance with the By-Laws of the cooperative, followed by closure and a public notice to this effect published in the Official Gazette.

In most cases the reasons that underlie the liquidation

are due to lack of education and ability to manage the business in view of encountered problems. For example, in one village members expressed their opinion that "the loans we receive are coming from the British and the Americans as

¹ Walter Cheesman, Handbook for Cooperative Personnel in the Caribbean, Trinidad, 1956 pp. 216-217.

charity; therefore we do not feel obliged to repay the loans."

Often untrained leaders may misuse their position for personal gains, thereby leading to disturption of relations among members. Cultural values also play an important role. The competition for size of representation of a kinship group, strained traditional relations sometimes affect harmony and cohesion of the group. Thus the cooperative is looked at as an evil device which has come to strain traditional ties and create conflicts. Consequently neighboring villages, fearing similar fate, become hesitant to organize a cooperative in their village community.

The policy of Officials in the cooperative movement requires taking necessary measures for extensive educational and training programs for the staff as well as the general membership. Research and studies dealing with the socio-economic conditions of inhabitants before establishing a cooperative will decrease functional problemes. Applying supervision on using loans for productive purposes will help both the administrators and the villagers. A closer collaboration of the cooperative institutions and the related agencies will lead to more effective service and efficient business.

The following Chapters will treat three cases and will clarify the impact of the rural credit and thrift cooperatives in the development of traditional social and economic conditions of the village communities.

CHAPTER V

THE VILLAGE OF ABOUD

The village of Aboud is located 50 Km northwest of Ramallah and situated on a small hill surrounded by olive and fruit trees. The population is estimated at around 2,450 and is composed of Moslems and Christians. The inhabitants are mainly farmers with the exception of those who migrate to neighboring towns and cities for employment and those who immigrate to America and other Arab countries.

A. History of the Village. The history of the village goes back as far as the Roman period before Christ. Its name refers to the Biblical name Obedia. The existing evidence refers to the ancient history. The Romans used the village as a resting station because of the numerous water springs located around the village. The Caravan's passage of the Romans was from Urushalim-Jerusalem-Fefna-Beir Zeit-Aboud-Libban-Dair Balout then to Qaysaria, the Roman sea port. There is a trace of an ancient Roman road and ruins with Roman architecture. Another evidence of the ancient history of the village is the grave of Isaiah, son of Noah. A French priest, Par. M. V. Gverin, found sharp stones, knives which Isaiah used for circumcising the children of the Israelites when they returned to the promised land. A third evidence related to the ancient

history of Aboud is the existence of Hebrew graves with an engraving of grapes. There is also a stone with the seven candles designating the Hebrew holy symbol. This stone is presently fixed on a wall beside the existing Abboudyya Church, which was built during the days of St. Helen, mother of Emperor Constantine who ruled Rome around 313 A.D. In the year 999 B.C. a priest named Elias was asked to build a monastery which he called Kawkab--a star. Priest Elias also translated the Holy Bible into the Assyrian language.

The original settlers of Aboud were Christians. However, following the Islamic conquest during the tenth century, Moslems came to the village when an Egyptian named Ibrahim Bakri and his family settled on the outskirts of the village. The indigenous people gave him an ancient cave to use for a house. Ten years later Ibrahim became well liked by the villagers and was considered one of them. He then helped in financing the construction of a Mosque and a yard. His descendants remained in the village and formed the Moslem group which still exists there.

Since the 13th century the village was under the Turkish rule like the rest of Jordan. The villagers felt subdued to the Turkish Government and used to flee the village in order to escape the inconveniences of paying taxes. During the late 19th century villagers became part of an Arab political sect known as Qayes. This sect fought for power with the opponent Arab political sect called Yemen. The conflict between the two sects goes as far back as the

fifth century in the Arab Peninsula, now Saudi Arabia.

In 1912 there were 40 Moslem families and 51 Christian families. Occasional fights and disputes broke out between the two groups. A few years later, during the British Mandate Government, villagers sought jobs in the neighboring towns, the local traditional school was rebuilt, and the planting of fruit trees was common.

Since 1947, nearly 300 Palestinian refugees who fled their homes and left their property in Jewish occupied land have come to live on the outskirts of the village and share with the indigenous population farm work, ownership of shops, and gradually became active in the social and economic activities of the community. The plight of refugees caused economic strains and infringed upon the traditional organization of the village. Villagers had to assist the refugees in securing shelter, jobs, food, clothing and other services. In other words, the village traditional social and economic structure had to absorb the newcomers within the means and facilities existing.

B. Physical Structure of the Village. The village consists of a cluster of houses surrounded by land, olive and fruit trees. It is situated on a hill sloping towards the north. The houses are of stones, mud-stones and mixtures of shaks. Some of the houses were built as far back as 1600 B.C., and eight houses are new buildings. The roads inside the village are narrow and muddy. There is

evidence of underground caves and building structures on houses built by village inhabitants exist. Animals and chickens are kept within the house proper, either in the basement or in the front yard. There are three cemeteries. One is for Moslems, situated about 600 yards east of the village, another for Christians, situated about 150 yards southeast of the village, and the third is an old deserted cemetery out along the side of the main road from the entrance to the village. The dates of burial in this ground indicate that it has not been used since 1925.

There are no particular streets or areas within the village which separate the members of the various kinship groups; there are, however, situations where houses belonging to families from one clan are located near the houses of another clan.

One distinctive physical feature of the village is the number of water springs. There are eight springs within the village proper. These springs provide the means for livelihood for people in Aboud and the nearby villages. Each spring was given a special name with legends of cultural significance in the village community. For example, Ein Al Hassar--spring of Al-Hassar is situated near Ein Al Jarrar, and its water runs into a cave and dries in summer. Villagers believe that its water cures people with urinary diseases. In order to be cured, a patient must drink the water after sunset because the water must not be exposed to the sun.

There is a water pool called Aboud's pool, the nearest water source to villagers, located about 100 yards in the western area. This pool is around 600 square yards in area. During the winter it is filled with rain water and running water coming from the fields. Villagers use the water for practically everything--washing, building, and for animals. It is a source of various diseases. The water is still, reflects a green color and produces a bad odor.

Other physical features of the village are shops--grocery, baker, shoe repair, barber and blacksmith--olive and flour mills, threshing yards, and deteriorating old houses. The village is relatively isolated. There is only one road that connects it with the nearest village of Beir Zeit. There is no electricity nor sewage system. The roads are not kept clean which makes it difficult for villagers to use them during winter. The discharge of animals such as donkeys, sheep, cows, chickens and horses is left along the roads and produces a smell and is conducive to all kinds of illnesses. Ten years ago a school was built south of the village, and an infirmary was established.

C. The Social Organization. For centuries the social organization of Aboud followed the traditional kinship line between the Christians and Moslems. The Christians constitute the majority of the population. Their number was estimated, in the census of 1962, to be 1,650 persons out

of the total population of 2,450. The Christian and Moslem clans are divided into Hamulas, and the Hamulas are further subdivided into Dars. The kinship structure of Christians and Moslems is as follows:

1. The Christian kinship groups: There are two main Hamulas, each belonging to a different denomination: the Fawdaleh and Al-Bshareyya. The former belongs to the Latin sect and the latter to the Greek Orthodox. Each Hamula will be treated briefly.

a) Hamula of Fawadleh. The Hamula consists of six Dars which include 950 individuals. The Dars are Dar Zarour, Dar Mas'ad, Dar Sawad, Dar Samreen, and Dar Quaddoum. The origin of the first three Dars was the town of Al-Salt near Amman. They came to the village in 1850 and their name was Fawakreh, later modified to Fawadleh. The last three Dars joined the Fawadleh nearly thirty years later and came from Burqa, Nablus District.

b) Hamula of Al-Bshareyya. The Hamula consists of five Dars making a total population of 700 persons. The names and origin of these Dars are as follows: Dar Khanfouz (derived from a Greek name Alfouns), Dar Abu Aza'r, Dar Al-Khoury, Dar Abu Masa'd and Dar Tagleb. The Dars of Abu Masa'd, Al-Khoury and Abu Aza'r came from the town of Shobak, District of Karak, and lived in the village of Der Abu Mashal near Aboud. They were known in archery and hunting. The indigenous people of Aboud sought their support to aid them in the tribal fights which broke out

between the Qayes and Yemen political sects. The three Dars inhabited the village since the 17th century. As for Dar Tagleb, it is believed that the origin of this clan goes back to the tribe of Tagleb in Saudi Arabia.

2. The Moslem Kinship Groups. The Moslems in the village consist of two main Hamulas, forming a population of 800 persons. The two Hamulas are Al-Barghouti and Al-Fallaheen. The subdivision of each is as follows:

a) Hamula of Al-Barghouti. From this Hamula there are three main Dars: Dar Abdul Majeed, Dar Badran and Dar Balas. All three Dars were the first Moslems to inhabit the village, and they claim descent from Ibrahim the Egyptian.

b) Hamula of Al-Fallaheen. It consists of three Dars: Dar Shalkouh which moved to Aboud nearly 100 years ago and lived in a village called Shalteh near the city of Lydd; Dar Je'ady which migrated from Egypt to escape the rule of Ibrahim Pasha nearly 120 years ago; and Dar Arbad, which moved to the village from another village in the District of Jerusalem called Al-Mazra Al-Sharqiyya following a dispute in their former community nearly 150 years ago.

In summary, the social structure of the village follows the division of inhabitants into Christians and Moslems with subdivisions of each. One factor relevant to the social cohesion of the village community is the fact that various Hamulas came from variant backgrounds and were able to live together throughout the years in spite of these differences. Subtle tensions between the Moslems and Christians

and among the Hamulas often exist in the local Aboud community.

1. Social Institutions. The main social institutions in the village are the Church, the Mosque, the Madafeh and the school. The Hamula is the main social institution around which activities of procreation and orientation center. There is an infirmary, an office for the Agriculture Extension Worker, and a local branch of the Post Office. These institutions are integral parts of the village community which contribute to social interaction. Each will be given brief treatment.

a) Churches. There are two churches used by the Christian population--the Latin and the Greek. There are four other old churches, the ruins of which still remain. The Latin church was built in 1911 by the Latin Patriarch of Jerusalem. The church proper consists of a monastery for nuns, a residence for a priest and an intermediate girl-school level. The membership is estimated to be about 100 families. The girls' school, however, includes students from the Orthodox group and a few Moslems. The Church offers assistance in cash or in-kind for poor families, participates in community projects such as road construction or support of a water pump project, and social activities.

As for the Greek Orthodox Church, it was built nearly 115 years ago. The present structure includes an expansion of the old one. Membership in the Church is 150 families, and it is considered as more conservative than the Latin

Church, or as stated by the Priest, "We are concerned about the spiritual upbringing of our denomination." Both churches conduct Sunday services in accordance with the rites followed in Jordanian urban Churches. Although the two churches form the Christian population in Aboud, there are differences between the two groups which make their position one of constant competition with one another for prestige and power in the village, especially since the Christian Mukhtar is from the Latin Church. The other Mukhtar is a Moslem from Al-Barghouti clan.

b) The Mosque. The first Mosque in Aboud was built in 1700 A.D. while the present Mosque was erected 125 years ago. The Imam, Moslem priest, maintains an important role in religious and moral matters. He was entrusted with teaching before missionary and, later, public schools were established in Aboud. Moslems pray five times a day: at dawn, noon, afternoon, evening and night. Present attendance at prayers was reported by the Imam as averaging 25 Moslems on ordinary prayer days and 60 Moslems on Friday noons.

While the Muazen, a person who calls for prayer, calls Moslems, the bells of the two churches call Christians for service. Both groups are used to the chanting and ringing, and follow their own religious practices. However, when it comes to administrative action, social occasions, celebrations, farming, shopping, and other daily work, Moslems and Christians are together hand in hand.

c) The Madafeh. The presence of four Madafehs in the village reflects the separatism of the four Hamulas, namely Fawadleh, Al-Bshareyya, Al-Barghouti and Al-Fellaheen. Each hamula has its own Madafeh. The Madafeh is a large room, usually on the second story; the floor is covered with a straw mat and a pile of cotton (or wool) mattresses are stacked in one corner to be used when kinship groups congregate. The Madafeh is a social center for men. Here villagers receive guests, discuss their affairs, smoke water pipes, sip coffee, eat festive dinners. It is open all day and late at night until the last person leaves. One must take his shoes off at the entrance and utter the words Salen Alikum--peace be upon you--then he sits. A few seconds later he raises his right hand toward his forehead and says Alla Ymasikum Belkhair--may God bless your evening. Villagers sit on mats, leaning their backs against the wall, along the four walls so they can see each other. A guest is seated on a double mattress and is given two pillows to lean on, facing the entrance of the Madafeh. It is also used for guests and strangers staying overnight.

Often the Madafeh serves as a place for concluding personal loans, business transactions and reaching mutual agreements for selling or leasing land, hiring local laborers, discussion of local, national and international affairs.

d) Schools. There are three schools in Aboud, two for girls and one for boys. The affiliation and enrollment in 1963 were as follows.

TABLE 7
SCHOOLS IN ABOUD

Teachers	Affiliation	Sex	Relig.	Level	Enrollment
2	U.N.R.W.A.	F	Moslem	Grade	93
3	Private	F	Latin	Jun. High	150
12	Public	M	Mos.& Chr.	Jun. High	256
Total					<u>504</u>

The percentage of students compared to the village population is about 16.3 with 35 students from neighboring villages. The schools concern themselves more with educational pursuits than with community activities. The Latin-private school offers gifts and a daily lunch meal to students. There was a Roman Orthodox girls school, but it was closed ten years ago because children were attracted to the Latin school. Villagers in Aboud contributed the land and labor to have the public school expanded to its present size.

Other institutions in the village are the infirmary, the Post-Office branch and a telephone service. The infirmary was established by a Lutheran missionary group. At present a Government Doctor visits the village two days

a week in addition to a nurse who resides in the village, and medical treatment is given free of charge. Illness ranges from stomach ache to trachoma. Serious cases are handled by public hospitals in Ramallah and Jerusalem. As for the Post Office branch and the telephone service, they were introduced to Aboud in 1959. At first each Hamula wanted to have the post-telephone to be placed in one of its shops or buildings because of the status attached to it. Finally, the District Officer picked a grocery shop in the center of the village, and all agreed for fear of not having the service at all.

D. Village Economy. Aboud depends mainly on agriculture for income and livelihood. For many farmers other sources of income are derived from off-season labor in cities and income from those individuals who immigrated to South and North America, Kuwait, Qatar and Saudi Arabia. Without the off-farm income, villagers would have faced numerous financial problems because agricultural production is dependent on rainfall which is irregular.

1. Land Tenure. The land owned by villagers is estimated around 19,893 Donums.¹ The distribution of land used for cultivation is as follows: cultivable-nonirrigated 6,000 Donums, cultivable-irrigated 40 Donums, area of trees--olives, fruits--12,000 Donums, and non-cultivable 1,835 Donums. Grains constitute the main crop. Nearly two-thirds

¹ Report on Aboud by Cooperative Field Organizer, 1958 p. 1.

of the cultivable land is used for wheat, barley and beans, while a total of only 2000 Donums are used for vegetables. The land used for trees is distributed as follows: citrus 30 Donums, almonds 40, figs 1000, grape vines 960, olive 10,000 Donums, making a total of 12,000 Donums.

Land ownership is unevenly distributed among villagers. The fact that land is not registered by the Land Department has caused frequent disputes and fights among the owners of land. Furthermore, often a farmer has several olive trees in the land of another farmer. The land boundaries are recognized by a row of trees, a stone fence, a huge rock or a narrow pathway. The Mukhtar of Aboud stated that the heads of Hamulas have been conciliating among villagers who run into difficulties in recognizing their own land borders. The land is fragmented into small lots among the members of the Dars in the village. Nearly all farmers who were interviewed have their farm lots in more than one piece; the land owned was situated in different locations in the village proper. This problem is intensified when the heirs divide the land among themselves; the land is divided into small lots, thereby producing a condition of decreasing productivity per Donum and causing further disputes.

There are 12 grocer shops in Aboud selling household items, vegetables, flour, and a variety of items. The estimated capital for all shops is JDs 5,000 and the goods are bought from towns and cities at a price which is

relatively higher than that in cities.

Villagers pay for what they purchase, although at higher prices, in order to patronize the kin-grocer, buy for credit and exchange farm products with shop items.

2. Labor. One of the problems facing villagers is the flight of farm labor to towns and cities in Jordan and to neighboring Arab countries. The two Mukhtars of the village estimated that since 1953 nearly 120 villagers immigrated to the Americas, 100 to Kuwait and other Arab countries, while 1,200 villagers work and live in Amman, Jerusalem, Ramallah and Zarka.

Omar Barghouti, a lawyer living in Ramallah, said that such mobility of labor has advantages and disadvantages to the village. Although such mobility weakens village economy, it increases intermarriage with urban people, and educated young men occupy positions in the army and in civil service. Other disadvantages are that it becomes more difficult to manage farms. Older men and school children cannot handle all the work required for farming, and kinship ties are weakened among the kinship groups. Inadequate farm management also forces owners of small farms to sell their land and live on manual labor or income from children working abroad.

The volume of skilled and semi-skilled workers in Aboud is given in the following table.

TABLE 8
LABOR STATUS IN ABOUD¹

Occupation	Number
Civil Servants outside Aboud	50
Doctors outside Aboud	1
Barbers	2
Builders	2
Farm Laborers	20
Merchants and grocers	12
Carpenters	2
Total	89

Aboud's youth who acquire high school education seek civil service jobs, while those who drop out of school engage in work as farm labor, driving or other skills. The Table does not include those immigrant workers.

E. Social Change. Aboud has been undergoing changes in various aspects of social life. These changes are attributed to contact with urbanization and westernization. Since 1917 villagers worked with the British Mandate personnel whether in the local community or in cities. Exposure to missionary groups and involvement in national progress since 1949 gave impetus to change. An elderly man called "Teacher Ibrahim" described social change in Aboud in the following terms:

¹ Field Organizer's Report, District Office of the Ministry of Social Affairs and Labor, Jerusalem, 1962 p. 4.

Seventy years ago I was in the missionary school. Villagers were simple and poor. They were not interested in education. Moslems had a Sheik tutor. His method of teaching was to gather the boys in the yard of the Madafeh. Then there were very few who could read and write. Pieces of metals were used for writing. People were simple. When a guest came to town, the Mukhtar killed a sheep and gave him a cloak for cover. When Britishers came, they cared for education, now educated people are many. There are 4 schools for both boys and girls. Villagers began to feel lively and poverty began to diminish slowly. Now farmers have more income from farming, working. The wages are higher now and children can work and travel abroad and bring, or send money to their families.

Speaking of village values and moral codes, Teacher Ibrahim stated,

Fighting among the Hamulas occurred nearly every day. Since thirty years tension lessened. Villagers feel more towards humanity. Size of land and property ownership was a yardstick for richness. The size of a Hamula contributed to social position and influence. During Turkish times livestock had more value than agriculture because the nature of village land was rocky and people lacked skills and know-how to cultivate land. Ploughing was done by traditional tools and changed little during British Mandate. Now, because of improved roads and transportation, communication and agricultural extension service, enlightened villagers improved economic and social conditions.

Villagers value education and civil service highly. They send their children to study outside the village. As for spiritual life, villagers paid more attention to religious practices and worship. Then there was more honesty, honor, loyalty and sincerity. For example, when one needs a loan, the word of honor is not enough. Now he has to sign guarantee papers, is threatened, charged high interest

reates and goes through the ordeal of a court for repayment. The trend in Aboud is towards material things. Pursuing material gains has changed the type of inter-community relations. Mutual cooperation and enthusiasm for helping others is weakened. When a villager needed a hand in cultivating or harvesting, three or more fellow villagers volunteered; now a villager finds difficulty in finding a paid laborer. Changes are attributed to contact with the urban world and the desire to attain a better standard of living, along with the internal adaptation to outside influences.

Changes also touched on styles of dress, types of food, means of transportation and communication, way of lighting, kind of furniture, agricultural practices, health services, educational systems, credit and business transactions, and houses.

In dress, a simple gawn, a cloak, and a simple pair of shoes were considered sufficient. These are gradually being replaced by suits, western shoes, stretch socks, silk cloaks, robes and slippers. As for food, during Turkish rule, olive oil, onions, bread, and a meal with meat four times a year constituted the main food. Hunting pheasants, rabbits, deer and pigs were practiced. Women used to pick wheat from the fields, crush it and make bread. Now food includes vegetables, fruits, a weekly meal with meat, canned beef, modern flour from mills, and use of modern utensils.

Traditional transportation included walking on foot, riding horses, donkeys and mules. Turkish language was used, and no newspapers were published. Now there is a main road, with trucks, a bus and taxi service at the reach of villagers. A telephone and a post office facilitate business and contact with the world outside the village. As for furniture, five decades ago villagers used simple wooden, locally made furniture. Sleeping and eating on the floors were common. Now homes of many villagers contain metal beds with springs, cotton mattresses, wooden cupboards, chairs, hardware, tables and glassware. In agriculture, wooden ploughs, ancient methods of harvesting and threshing were applied in farming. Old stone olive mills driven by horses existed. Today metal ploughs, and in some fields tractors, are used in addition to rotation farming. A machine attached to a tractor is hired for threshing and separating seeds. Protection against pests and plant diseases has been introduced and partially adopted.

The distribution of cultivable land utilization given earlier indicates that nearly two-thirds of the land is used for olive trees. The remaining one-third of land is used for fruits such as citrus, almonds, fig, and grape vines. Little land is utilized for vegetables. Aside from olives, fruits, grain, and vegetables cover the consumption needs of villagers. As for olives, villagers store the oil in jars until the prices go up; then they sell to merchants for cash or in repayment of old debts.

As long as the village remains dependent on rainfall for agriculture, increase of productivity will rest on using fertilizers and chemicals to increase the yield of available areas of cultivable land.

Harvest season distracts villagers from social activities and religious practices. The Priest and the Imam in the village state that "Harvest days affect adversely the number at regular attendance of services. A villager is very patient by his nature, but he complains and curses when drought seasons fall in succession." Drought years generally affect villagers economically and socially. As a result, they borrow and purchase on credit. They also seek jobs outside the village and often are forced to sell olive trees, pieces of land and mortgage their property for loans. As a consequence, a wave of selling of olive trees, pieces of land and mortgaging the property for credit occurs. Being unable to buy necessary food, clothing and household goods, sons are deprived of continuing education for the sake of extending financial assistance to the family.

E. The Rural Credit and Thrift Cooperative. In March 1957 the Cooperative Field Organizer, following several visits to the village, provided the D.C.D. a brief socio-economic survey of Aboud. This was considered a first step in the process of organizing a credit cooperative.¹ In the

¹ File of Aboud's cooperative, Report No. 12, Jerusalem, 1957 p. 3.

report it was stated that total village debts in 1957 were JDs 4,000, and in 1964 increased to JDs 7,700. The report stated further that the cooperative would rid villagers from indebtedness to moneylenders and would be a useful device for social and economic development of the community.

The Moslem Mukhtar first objected to the idea since he was one of the biggest moneylenders in the village. The Christian Mukhtar welcomed the idea because he felt the need for a useful source of credit. Finally the Moslem Mukhtar accepted the idea reluctantly. Thirty six villagers, 21 Christians and 15 Moslems, signed the Charter of the first Rural Credit and Thrift Cooperative in Aboud. It was necessary to hold several meetings with the members to explain the structure and functions of the new institution. The first general meeting of the membership was held in May, 1957. The decision concerning policy on amount of loans, saving, emergency savings, members' shares, and the rate of interest was reached. In the same month, the first loans, ranging from JDs 20 to JDs 50 per member, were given.

The records of the cooperative indicate that members received a total of JDs 1,075 while the total debts of members to the Jordan Development Board were JDs 1,180. By the end of the same fiscal year each member had to settle two loans, while the total income from farming and other sources was estimated to be JDs 7,873. If compared with expenditures, which were estimated by JDs 8,870, it was evident that members faced problems in repayment. Often a

farmer spends twice his income on items considered important in the local culture, e.g. marrying a son, hospitality, and owning status symbol objects.

The following Table shows the situation of the cooperative since its establishment.

TABLE 9
THE POSITION OF ABOUD'S COOP.¹

Year	Members	Share	Saving	Loans	Loans	Total Income	
		Cap.		from	from	Agri.	Non-
		JDs	JDs	Co-op	Others		Agri.
				JDs	JDs		
1957	36	37	21	1,075	6,075	1,700	1,180
1958	42	76	45	1,350	3,115	2,928	1,560
1959	48	123	73	1,845	8,120	2,560	1,550
1960	48	171	237	1,700	2,680	1,700	535
1961	48	219	331	1,870			
1962	49	258	540	2,000		not recorded	
1963	47	340	987	1,600			

Membership in Aboud's cooperative remained unchanged for five years while the share capital, savings, increased considerably.

1. The Sample. Respondents from this village included 33 villagers who were members in the local cooperative and 31 who were not members. A list of members was prepared and those who were present in the village were interviewed. As for non-members, it was sought to include a representation from the various Hamulas and religious groups. Interviews were conducted in homes, at the village

¹ File of Aboud's cooperative, District Office of Jerusalem, 1963.

yard, in the fields, at the doorway and in the grocery shop, at the Madafeh, and at any place convenient to the respondent. The necessary steps were taken, such as obtaining permission from the Mukhtars, Governor's Office and the District Office of the Ministry of Social Affairs and Labor. Two weeks were spent in the village to get better acquainted with the villagers before the study, and the purpose of the study became well understood. The responses were recorded in Arabic and each interview lasted for about 90 minutes.

Often farmers went to their fields as early as 4 A.M. and returned to the village at 7 P.M. and were too tired to be interviewed. Accordingly, most of the interviewing took place on Fridays and Sundays when most farmers remained in the village. The following analysis will treat the socio-economic status as related to the impact of the rural credit and thrift cooperative on villagers' traditional social and economic structure.

2. Social Characteristics of Respondents. The social characteristics include the family, age, religion, and occupation. Each of these elements will be treated.

a) The family. With one exception, all respondents were married. Most of them were married once and had their wives. Seven members were married twice, and one was married three times with only two wives at present. Of the non-members, two were married twice, three three times, and one was married four times. Four respondents reported

to have two wives at present. Reasons for marrying a second or third wife were: death of a former wife, divorce or desertion. As for the homogeneity of marriage, respondents reported that their wives belonged to the same Hamula. Four members and five non-members stated that their wives came from another Hamula in the village.

Family size tends to be large. The following Table shows the number of family members for both members and non-members.

TABLE 10
FAMILY SIZE OF ABOUD'S RESPONDENTS¹

N=64

Number	Members	Non-Members	Total
Less than 3	1	4	5
From 3 to 5	6	6	12
From 6 to 8	16	15	31
From 9 to 11	9	6	15
12 and more	1	-	1
Total	<u>33</u>	<u>31</u>	<u>64</u>

This distribution is characteristic of the majority of villages in Jordan. Economic and cultural factors contribute to the size of rural families. Although respondents reported large family size, a great number of family members of working age are employed outside the village. Nearly 85 percent of respondents stated that they have children

¹ Including parents and children.

working in various jobs of which some are in Jordan and others in other Arab countries. The following Table indicates the trend.

TABLE 11
FAMILY MEMBERS WORKING IN
AND OUTSIDE THE VILLAGE

N=64

Number	Members		Non-Members		Total	
	In	Out	In	Out	In	Out
One person	6	10	6	7	12	17
Two persons	-	10	8	3	8	13
Three persons	1	6	6	1	7	7
Totals	33		31		64	

Female children are not allowed to work outside the village except for a very few families who do not object for young unmarried females to work as servants in Jordanian cities.

b) Age and Education. The proportion of the young and the old in respondents' age is uneven. Table 12 shows the age distribution of respondents. It indicates that 61 percent of the respondents are 51 years and above. An explanation for this high percentage is that a member is required to have ownership of land. Most of the members are owners of land and a son cannot have land in his name as long as his father is alive. In cases of disputes in the family, the son may request his allotment of land. Another reason for old age representation in the cooperative

is that the young labor force leaves the village searching for work outside the village.

TABLE 12
AGE DISTRIBUTION OF RESPONDENTS

N=64

Range	Members	Non-Members	Total
Less than 25	1	-	1
26-30	1	3	4
31-35	2	4	6
36-40	2	3	5
41-45	1	2	3
46-50	5	1	6
51-55	5	5	10
56-60	9	2	11
61 and above	7	11	18
Total	<u>33</u>	<u>31</u>	<u>64</u>

It appears that at the first decade of its establishment, the credit cooperative in the village community would attract relatively older people.

As for education, all respondents had acquired education below the 4th grade, i.e. nearly illiterate. This factor tends to affect the degree of involvement in cooperative business where writing and reading knowledge is necessary.

c) Occupation. The majority of respondents indicated that farming is their major occupation. The following Table shows the range of respondents' occupation.

TABLE 13
OCCUPATION OF RESPONDENTS

N=64

Occupation	Members	Non-Members	Total
Farming	26	23	49
Laborer	2	5	7
Merchant	4	1	5
Civil Service	-	1	1
Mechanic	-	1	1
Retired	1	-	1
Total	<u>33</u>	<u>31</u>	<u>64</u>

The Table indicates that 78 percent of respondents have farming as their major occupation. Due to fluctuations in farming produce which is affected by the amount of rainfall, farmers often engage in minor occupations such as seasonal work in construction work. The said percent of respondents stated that their occupation was traditionally farming.

3. Economic Situation of Respondents. In this section, the following will be treated: a) land ownership, b) expenditure, c) income, d) credit, e) saving, in view of the collected data.

a) Land Ownership. The majority of respondents, 82 percent, stated that they owned land. The remaining 18 percent stated that they were tenants and had no land. The distribution of land is peculiar. The owners of land stated that they had their land fragmented into several pieces

located within the village boundaries, with the exception of a few whose land was in one piece. The fragmentation is characteristic of Jordanian villages, due to Islamic laws of inheritance and the desire on the part of the heirs to have separate shares.

The need of a farmer to increase the size of cultivated land in order to feed the increased number of children and to make a better income always exists. Although the resources of land are a function of one's own initiative and work, villagers ordinarily utilize loans for such a purpose. As for the use of cooperative loans for planting olive trees, grape vines and grains, members' response was that loans helped a little in adding new planting. A small proportion made full use of cooperative loans in improving their farming productivity.

Farmers in this village seemed to devote their attention to agricultural production, olive growing, grain, fruits and vegetables, respectively, much more than livestock and poultry. The number of cooperative members who utilized loans for purchasing cows, sheep, goats, chickens, rabbits, turkeys, or pigeons is rather insignificant. The need for donkeys and mules for transport and farm operations such as ploughing seems to be greater than the need for cows, sheep and goats. Olive trees seemed to be of greater value to Aboud's villagers than livestock.

b) Expenditure. Villagers usually disburse their income for agriculture, livestock, house needs of

food, clothing, furniture, etc. Other expenditures include payment of wages for farm labor, transportation and items such as marriage whether for themselves or their sons, and medical treatment.

In order to measure variation in expenditure of respondents, the year in which the cooperative was established, 1957, was used as a base for comparison. Respondents were asked to state their annual expenses on items such as agriculture, livestock, household, wages for farm labor, transportation and others before 1957 and after.¹ Table 14, given on the following page, shows that expenditure on food, clothing and family expense represents the important item for members in the Cooperative. This holds true for the non-members as well. Expense on agriculture, such as the purchase of seeds, fertilizer and insecticides, did not represent a high proportion. By tradition, farmers save wheat seeds from the previous harvest season and use natural fertilizer and seldom spray their produce. The expenditure on livestock is specified to buy feed for donkeys, horses and mules. As for expenses on farm labor, it has shown a tendency to increase because farmers were forced to hire laborers to do the farm work because rural youth are leaving the village for urban employment. Hired farm

¹ Perhaps this is not the best method for accurate measurement, however, because the farmers did not keep records, relying instead on memory to give information pertaining to either income or expenditure.

Table 14

Expenditure of Respondents in Aboud
Before and After 1957

Amount JDs	Agriculture Before After	Livestock Before After	Household Before After	Wages Labor Before After	Transport Before After	Others Before After
From 1-10	2 1	10 10	- -	5 7	16 10	- -
11-20	9 7	10 15	- -	10 8	8 8	4 2
21-50	12 13	9 5	2 -	4 4	5 7	1 1
51-75	11 2	- 1	- 2	1 1	2 5	4 -
76-100	3 3	- -	7 3	1 -	1 -	1 3
101-150	1 1	2 0	9 5	0 2	- -	- 1
151-200	- -	- -	9 7	- -	- -	- 1
200 & Above	1 -	- -	6 16	- -	- -	2 2
No Response	4 6	2 2	- -	12 11	1 4	20 22
T O T A L	33 33	33 33	33 33	33 33	33 33	33 33

laborers were given the choice of accepting seeds, fruits, grain or olives in proportionate amounts in return for work. Farmers usually do not include this as an actual expenditure, although it is. As for transportation, villagers have been making trips to neighboring towns and cities more often than before for many reasons: to buy household items not found in the local shops, to sell produce, to negotiate sale business with merchants, or just to see the city. The available means of transportation is a bus which goes through the village in the morning and returns to the village (from the town of Ramallah) in the afternoon. Other expenses include spending on such occasions as sickness, travel, or education of a son, marriage, feasts, contributions to projects in the village.

The non-member respondents did not differ significantly from the member respondents in expenditure on the mentioned items. The former villagers also spend more on family and household items more than any other item. Traditional social practices seem to influence overall expenditure. Furthermore, in Aboud, the trend is toward owning modern appliances such as wood cabinets, gasoline lights, radios, suits, etc., a condition which contributes to the increase of expenditure. However, economic conditions of villagers can be better understood when expenditure is compared with income.

In Aboud nearly 35 percent of the families have one or more sons working in Arab countries and the Americas.

Some families complained that their sons did not send money as expected. As a consequence, such families were forced to sell land, borrow from moneylenders or mortgage property in order to cover the expenses incurred.

c) Income. Farmers derive their income mainly from agriculture, livestock, poultry and merchandise. Other sources of income include off-farming seasonal employment and whatever is received from sons abroad. Usually income from agriculture fluctuates depending on rainfall and the extent of improvement leading to increasing productivity of available land.

Respondents were asked about their income from agriculture and other sources, before and after 1957. The question put to them was "How much do you estimate your income following the Arab-Israeli conflict and before the establishment of the local credit cooperative?"¹ The responses and range of income from agriculture and other sources before and after 1957 is given in Table 15 on the following page.

The Table indicates that annual income of members from agriculture falls in the range of JDs 1 to 300. Fifty nine percent of members earned JDs 150 before the cooperative was established. After joining the cooperative only 53 percent of the members earned above JDs 150, a decrease

¹ Villagers' sense of time is identified with major events rather than actual dates. For example, the Arab-Israeli conflict refers to the year 1948, and the Suez attack was in 1956. Such events were cited in order to have an association with income for farmers and proved to be more helpful than just asking the income between 1948 and 1957.

Table 15

Distribution and Source of Income in Aboud Before and After 1957

Amount in JDs	A g r i c u l t u r e				O t h e r S o u r c e s			
	Members		Non-Members		Members		Non-Members	
	Before	After	Before	After	Before	After	Before	After
None	0	0	0	0	15	13	0	0
From 1-49	4	4	0	1	5	4	11	1
50-99	3	1	4	2	3	1	0	5
100-149	6	8	6	6	5	6	6	5
150-199	5	6	4	5	0	1	2	7
200-249	3	1	4	4	0	2	1	3
250-299	2	2	4	8	1	2	1	2
300 and above	8	6	8	4	4	4	2	3
No Response	2	5	1	1	0	0	8	5
TOTAL	33	33	31	31	33	33	31	31

of 5 percent. The rationale is lack of rainfall in successive years after 1957 which led to a drop in agricultural income. Olives and olive-oil are major sources of agricultural income. According to farmers, olive trees yield bi-annually. So when the olive crop is below the usual volume, coupled with a drought season, as it was in 1960, farmers are in financial difficulty.

Income from other sources seemed to have increased after joining the cooperative. Such sources are identified by members as including money from sons working abroad, off-farming seasonal work and addition business such as shops, livestock and sale of property, in this order. When the income from farming decreases farmers press on sources other than farming.

As for non-members, they seemed to have a higher income range from agriculture and other sources before and after the year 1957. They own more property than the members and their sources of income other than farming were more than those of the members. The fact of sufficiency in sources of income on the part of the non-members was one of the main reasons they were not in need of joining the credit cooperative. As one non-member stated, "I am in a good financial condition and I don't need the money of the cooperative."

The cooperative's loans, as a source of income, when compared with total annual income of respondents, is insignificant. But such loans were not considered by Cooperative

Officials as a source of income, in as much as helping peasants to overcome financial difficulties.

Respondents were asked to estimate their income in relation to villagers in the community. Table 16 shows how respondents rated themselves.

TABLE 16
ESTIMATE OF RESPONDENT'S INCOME

N=64

Position	Members	Non Members	Total
Better than most of them	5	5	10
Better than some of them	7	13	20
Like most of them	15	20	35
Worse than some of them	5	2	7
Worse than most of them	1	1	2
Total	<u>33</u>	<u>31</u>	<u>64</u>

Villagers ordinarily do not reveal their real financial status for two reasons: one, because they do not keep records and exclude the value of products given in settlement of loans in estimates of their income, and two, they fear that such information may leak to tax officials and then they would be asked to pay taxes. Complaints of heavy indebtedness and lack of income are more readily announced by farmers than giving accurate information on income. A villager feels safe to state "I am like my fellow villagers," thus covering himself. Sometimes a villager might boast of his high income and property to strangers as a symbol of status in the community.

d) Credit. The need for credit varies with the farmer's income and his expenditure. For cultural factors, often expenditure exceeds income. During the British Mandate Government many villagers worked in construction projects in cities and other businesses such as trade and livestock in addition to farming. Earning from such work allowed villagers to save and to take care of demands of simple living.

Traditional credit has been in practice. Members of the cooperative stated that the type of credit they undertook during the British Mandate Government ranged from merchants and shopkeepers to credit in kind, e.g. olives, wheat, fruits, sugar, rice, meat, and household items. The Moqayadah, as a barter system, was, and to a lesser extent still is, a common practice. Kurda is still used among villagers.¹

Members of Aboud's cooperative stated that they obtained credit from friends, relatives, merchants and moneylenders. Fifty percent of the members said they were not in need of credit during the Mandate period because their financial condition was good. Another reason stated was that they were young, and parents were responsible for handling finances. As a whole, villagers avoided Bank credit because "it involved a lot of red tape, paper work, required

¹ Reference was made to the barter system and Kurda earlier in this study.

documents such as title deeds of land and property". Banks are located in cities and villagers preferred local credit resources better than Banks. In the village one seldom finds difficulty in securing a loan from sources in the community. Only four members stated that they faced difficulty in finding a lender in Aboud. More problems are encountered by debtors in repayment of their loans. Twenty-six per cent of respondents stated that they were not able to repay on time. They had to sell olive trees or land in order to settle the Kurda or the Deinah.

The term of a loan varied in accordance with the period and type of guarantors. The Kurda is given for a short period of time ranging from one week to six months, while the Deinah may last a year or more. The word of honor of the debtor usually suffices for the extension of a loan. However, at present, only Kurda is concluded by a mutual promise between the lender and the borrower. As for Deinah, villagers feel that "in these days one cannot trust even his own brother and has to have documents assuring the repayment."

The following Table shows the sources which respondents patronized for obtaining loans during the past five years. It reveals that the members and non-members have patronized the sources mentioned. Nearly 43 percent of respondents indicated that moneylenders were patronized in the past five years, in spite of the fact that the credit cooperative existed in Aboud for a period of seven years.

TABLE 17
CREDIT SOURCES OF RESPONDENTS

Source	Members			Non-Members		
	Yes	No	NR	Yes	No	NR
Government Agency ¹	17	15	1	2	27	2
Commercial Banks	7	22	4	3	27	1
Moneylenders	13	16	4	17	12	2
Others	5	14	14	2	28	1

As for present debts, respondents were asked to state the amounts and sources of debts outstanding at the time of interviewing. Members indicated that they were indebted to merchants, butcher, grocer and others in amounts ranging from JDs 10 to 75. While non-members indicated debts to the same, they were in lesser amounts, ranging from JDs 5 to 25. In Aboud, indebtedness seemed a habitual practice, and villagers purchase foods and various items on credit repayable at the end of the following harvest season. Some debts are repaid in kind at the time of business. For example, instead of charging a service fee for pressing olives, the mill owner accepts one jar--a measurement unit equivalent to 20 lbs--for every ten jars of olive oil extracted by the mill. If a villager needs the oil to sell, the mill owner agrees to wait for the following olive

¹ The only Government Agency which extended loans to Aboud was the Jordan Development Board, which later--in 1961--was changed to the Agriculture Credit Corporation.

pressing season and credits the fees.

As for the cooperative debts, all members stated that they owed their cooperative for loans received from the previous year.

e) Saving. Ordinarily, villagers follow traditional methods of saving their surplus income. However, saving during the Mandate Government was regular and became less regular after the Arab-Israeli conflict. The amount saved during the Mandate Government by 48 percent of respondents ranged from JDs 25 to 300 annually. The savings were invested in purchase of jewelry, gold, livestock, land or marriage. Jewelry and gold are kept in a safe place at the house, e.g., inside a bed mattress, under the floor bricks, or in a hole in the wall. Villagers tend to invest their surplus income on culturally determined practices, e.g. generosity, marriage, feasts, etc., instead of investment in urban enterprises such as stocks or businesses. Following the Arab-Israeli conflict, what was saved by villagers was spent in the following years because income from agriculture and other sources decreased in the years immediately following.

The cooperative, however, induced members to save. The savings for each member are deducted from the loan extended to the members annually. Members indicated that they will depend in the future on the cooperative for saving because "it is a good thing and a form of security." Thus the traditional forms of savings in Aboud are gradually

being transformed by modern methods. The accounts of the cooperative did not show voluntary saving by the members. In other words, if the savings were not deducted from members' loans, there is no tendency to save through the cooperative because of the need of cash.

4. Utilization of Local Cooperatives. The utilization of the local cooperative varies with the extent to which the cooperative meets the members' expressed needs, and with the understanding of functions that can be achieved through the cooperative. The idea of organizing a cooperative in Jordan villages ordinarily comes from sources outside the village. When the idea of organizing a cooperative comes to the village, peasants are more motivated by kinship ties and influence of local leadership to join than independent initiative.

Respondents were asked the question "Who in your opinion started the idea of organizing the credit cooperative in your village?" The responses were as follows.

TABLE 18

SOURCE OF COOPERATIVE IDEA IN ABOUD

N=33

Source	Responses
The Dept. of Coop Development	18
The Mukhtar in the village	7
All the people in the village	1
Your self	3
Don't know	4
	<hr/> 33 <hr/>

The Department of Cooperative Development through the Cooperative Field Organizer is the main source of information about establishing a cooperative enterprise. At the early stages of the cooperative movement, the Field Organizer made numerous visits to the village preaching about cooperation and motivating villagers to join the project. Later, however, village leaders approached the Field Organizer in his District Office to come to the village to talk to them about the cooperative because "they wanted to have a cooperative like the neighboring village." In the case of Aboud, it was the D.C.D. who propagated the idea which was accepted a year and a half later.

The motivation for joining the cooperative comes from the Mukhtars. In Aboud the Moslem and Christian Mukhtars first supported the idea, then villagers conformed. The majority of member respondents stated that "We joined the cooperative because the Mukhtars encouraged us, and if it wasn't for them we would have never joined." The Mukhtars said that both of them held several meetings with the villagers at the Madafeh to tell them about the advantages of the enterprise. Few member respondents gave the reason for joining the cooperative as "because my cousin joined I did", and "when I saw my kinfolks were favorably impressed I was sold on the idea"; also, "if the cooperative would do harm, my kinfolks would not have joined." In Aboud it was evident that membership of a villager in a cooperative is motivated more by kinship influence than independent initiative and choice of the villager.

a) Meeting the "Felt" Needs. Villagers used to obtain credit by way of traditional methods. In order to assess the extent that the cooperative met their felt needs for credit, members were asked "In what way do you feel that obtaining loans from the cooperative helped you in meeting your need for credit compared with the traditional sources of credit?" The responses given in Table 19 favored the cooperative over traditional sources. As shown in previous sections of the study related to income and expenditure, the extent of help of cooperative loans was rather limited because the amounts of the loan were not congruent with the volume of expenditure.

TABLE 19
EXTENT OF BENEFIT FROM COOPERATIVES

N=33

Response	Number
Much better than traditional forms	10
More benefit and more advantages	4
Because the interest rate is lower than the rate charged by moneylenders	13
It revives villagers and assists them in obtaining credit	2
I did not borrow previously	2
I benefited from it only in a small way	<u>2</u>
	33

The Table indicates that 86 percent of the respondents felt that the cooperative met their current "felt" needs because of the mentioned advantages.

When member-respondents were asked about the ways in

which they disbursed with the loans, the range of responses was as follows: a) settlement of old debts - 7, b) supplement business assets such as a grocery or a shop - 5, c) meet family expenses - 10, d) and improve the farm-plot - 4 responses. It is indicative that peasants' needs are numerous and the cooperative loan would be utilized in meeting the most urgent need.

Members were asked, further, whether or not they will depend on the local credit and thrift cooperative in the future. Eighty-six percent of the members stated that they intend to utilize the cooperative for future credit. The remaining 14 percent stated that they were not sure. Preference of patronizing the cooperative over the traditional sources was expressed by the majority of members. The reasons for this preference were varied. Table 20 explains the members' reasons of preference.

TABLE 20
REASONS FOR PREFERENCE OF
COOPERATIVE CREDIT IN THE FUTURE

N=33

Reason	Number
I benefited and have a share in the profits	6
It is useful and meets members' needs	10
It is more merciful than moneylenders	7
It helps us in agriculture and farming	1
Repayment is requested once a year	2
Because I am a member and became attached to it	2
Because it is better than other sources available in the village	5
Total	<u>33</u>

When the cooperative succeeds in maintaining the image of fulfilling the members' needs, the feeling of altruism is strengthened. Members were asked whether or not they would encourage fellow villagers to join the cooperative. Ninety percent stated that they would, for the same reasons appearing in Table 20. All members stated, further, that they believed the neighboring villages should establish a cooperative like the one in Aboud. As for increasing the membership, ninety-five percent of the members stated that they would like to see the membership increase. Their rationale for the increase is that the benefit would include more individuals, that there is strength in large membership, more profits, that it helps the villagers of limited resources, and that it strengthens the local village economy.

Members of Aboud's cooperative expressed reservation on the question "Would you encourage the federation of the local cooperative with another one?" Having been relatively isolated for decades, they gave precedence to having co-operation remain unfederated in the locality. The reasons included: a) federation would create confusion and lack of agreement with outsiders, b) we don't think that we can get along with others outside the village, and c) difficulty in establishing a common understanding with other villagers.

b) Cooperative Knowledge and Ideology. One of the important elements in the progress of a cooperative is

the degree of cooperative knowledge that members acquire about the organization, principles, philosophy, bookkeeping, and other basic information pertaining to the function of the enterprise. Nearly forty-five percent of the members have limited knowledge about the cooperative and have attended one out of three annual meetings. Some members did not know their amounts of shares, savings or indebtedness. It is the responsibility of the management to provide members with means of increasing their knowledge about the cooperative. The job of educating and training becomes more important especially since the level of members' education was reported below 4th grade level. Members, however, in Aboud expressed the need for training courses, lectures, films and other educational devices to achieve a better understanding of cooperative dynamics.

Villagers have a traditional conception of cooperation exemplified in the expectation each had in helping one another in times of stress and working together in the fields and during harvest. The modern concept of cooperation, however, is gradually becoming deep rooted in the way villagers interact in the functions of the credit cooperative. When reference is made to the cooperative society, villagers do distinguish a new form of group relations and their ideology is affected by the degree they are rewarded as a result of their participation.

In order to assess the belief of members towards the Cooperative, they were asked a series of questions

pertaining to cooperative ideology, and they were requested to state whether they agreed or disagreed with the statements. A full account of statements and responses is given in Appendix G. It will suffice to give a brief summary of the members' responses to certain questions related to the Cooperative Society of Aboud.

The majority of members agreed with the following statements:

1. The cooperative must build itself so that it will become self-dependent in the future,
2. The cooperative is a factor in decreasing farmers' contact with moneylenders for credit,
3. The low interest rate charge by the cooperative is a mercy to villagers,
4. The membership in the local cooperative strengthens one's social status in the village,
5. The cooperative is good for all farmers in the village,
6. The cooperative should help members in marketing their agricultural produce, and
7. The presence of cooperatives in the village tends to decrease the influence of merchants and moneylenders.

It is difficult to measure the real belief in cooperative action in the real sense. The members' belief is the function of time and the degree of benefit felt. It is encouraging, however, that villagers have such impressions

and attitudes towards their local cooperative, since it is the first institution of its kind in Aboud and considering the limited opportunities they have had in cooperative education and experience.

CHAPTER VI

THE VILLAGE OF AL-HUSON

The village of Al-Huson is situated seven Km southwest of the city of Irbid in the northwestern region of the East Bank of River Jordan. The main highway between Amman and Damascus runs six Km east of the village. The distinctive features of Al-Huson, compared with the surrounding villages, are the population structure, religious affinities, and the rapid progress achieved by villagers in recent years. The members of the rural credit and thrift cooperative established in 1957 represent various occupations, clans and religious affiliations. Unlike neighboring villagers, Al-Huson has a municipality, paved roads, gasoline station, electricity, police station, and a number of its citizens occupy respectable posts in the Government. Villagers use modern appliances such as tractors, combines, and trailer-wagons in agriculture. They have a modern transport system such as a bus line that runs from the village to the city of Irbid. There are twenty-four cars owned by villagers, four of which are used as taxis providing transport services to Irbid, Zerka and Amman. The remaining twenty cars are owned by villagers who occupy positions such as lawyers, physicians, civil servants and teachers in urban centers.

This Chapter will attempt to provide a picture of the socio-economic structure of Al-Huson, then will treat the local rural credit and thrift cooperative from the standpoint of its impact on the villagers' social and economic traditional structure. It is important to point out, at the outset, that the local cooperative has faced numerous problems which hindered the progress that ordinarily would be achieved. A brief summary statement will be given at the conclusion of the Chapter.

A. History of Al-Huson. The history of the village goes back one hundred and fifty years at which time there were only a few shacks. The great-grandfather of the Al-Nmura clan, who was identified as Abdallah Ghanma, came to this area and liked the location. He was living in a nearby village, a distance of a three-hour horse ride, approximately 16 Km away. Then he went to the Turkish headquarters in Damascus and requested that Al-Huson become a place for the Christians. Abdallah Ghanma then moved to the area with a group of his clan and called the village Al-Huson. Other clans such as Al-Rihani and sub-clans Al-Khoury and Saleh followed Ghanma to Al-Huson. The village was relatively isolated from the Turks except for the Bedouins who were camping 30 Km from the village. The Christians, fearing complete isolation and being alone in facing the Bedouin raids, invited a Moslem clan called Al-Khasouneh to live near the village on the condition that the share of the Christians be two-thirds of the agricultural

produce and that of the Moslems be one-third. Around the year 1860, a fight broke out between the Christians and the Moslems over the distribution of land; the Moslems wanted 50 percent of the land within the village proper. The news reached the Turkish Province Ruler in Nablus and Istanbul. The Governor of Istanbul ordered the Moslems to evacuate Al-Huson. The Khasouneh clan was replaced by another Moslem clan called Al-Nserat which is living in the village at the present time.

In spite of the internal tensions among the Christians and Moslems in the village, the Ottoman Turks were the disturbing factor to villagers. The tax collectors were known as merciless and were avoided by the indigenous people. A German tourist named Burchart describes the treatment of the Turkish tax collectors on page 268 of his book Travel in Palestine and Arabia. He states:

I found very bad company at Al-Huson. The Pasha of Damascus used to send annually one of the principal officers of his Government to visit the southern provinces of the Pashalik to exact tax of the Miri (public land) and to levy new taxes. The Aga of Tabaria, who was invested this year with the Office, had just arrived in the village with a suite of 100 and fifty horsemen, whom he had quartered upon the peasants, my landlord (who was Abdullah Ghanma, a Christian early settler) had seven men and 15 horses of his share. And although he killed sheep, and boiled about 20 pounds of rice for supper, yet the two officers of the party in his house were continually asking for more, spoiled all his furniture, and in fact acted worse than an enemy would have done. It is to avoid vexations of this kind that the peasants abandoned the village when exposed to such visits.

In addition to this exposure, villagers of Al-Huson felt insecure because of the neighboring Arab Bedouins repeatedly invading the village in search of sheep, grains and other items of food supplies. The crucial years of Bedouin raids were during the First World War when the Turkish rulers were too busy to restore order to villagers in the area. The villagers recall that they dug wells to store grains for fear of Bedouin raids.

In 1918 the Bedouins killed 11 villagers. Following the First World War, the British Mandate Government ruled Palestine and appointed Prince Abdullah Ben Hussein as ruler on the East Bank of River Jordan--Transjordan. The registration of land gave the Bedouins territories which contributed to their settlement.

Al-Huson was known as both a commercial center and an educational center. Since 1900, there were 75 shops of various kinds: groceries, leather, grain, spices, textiles and others. On the other hand, the missionaries--mainly Roman Orthodox, followed by Protestants and Latins--started the first schools almost seventy years ago. The elders of the village are proud of this fact and boast about it. The Mukhtar of Al-Nmura clan says "Al-Nmura clan are proud of the fact that they are known to pursue education and keep educated individuals within the clan. For example, we have Dr. Fayes Nimri, Dr. Ibrahim Nimri and Tawfiz Nimri, a lawyer, a physician and a popular folk singer, respectively, and others."

Al-Huson also attracted merchants and traders from Damascus. Villagers tell the story of a villager, who is still living, known as the wealthiest in the village. His estimated wealth is half a million Jordanian Dinars. This villager started his career as a doorman in the Orthodox Church School. Later on, he opened a shop and started in the trading business. When he accumulated capital, he began lending money at a high rate of interest ranging between 20-40 percent and held land as a mortgage. In a few years he acquired capital and land from debtors who were unable to repay the loans. Following the Government moratorium of freezing interest on all back loans, he stopped lending money to villagers. Now he is the richest individual in the village. He is looked down upon by his kinsmen and villagers as a whole. He suffers from mental retardation, walks with a stick, wears heavy short-sighted glasses and is shabby looking. Villagers often refer to him when they speak of the evils of money which is an enemy of happiness.

In 1934, the village municipality was established and members of the village council were appointed by the Government of Prince Abdullah. From 1952 to 1958, villagers elected the village council and the Government only appointed the Mayor from the Council members. Following 1958, the Mayor was elected by the Council members by majority vote. Presently there are seven members and the Mayor. Villagers

stated that the recent election campaigns caused dissention among the clans. As a result of the conflict the Council elected a Moslem Mayor. Dissention also penetrated the Moslem clans and loyalty for Moslem candidates was split between the clan of Al-Nserat and the sub-clans of Rashdams.

B. Physical Characteristics. The village is situated on a hill surrounded by mountains on the east, south and the west sides. There is a pond 20 meters deep, unprotected and used for animals and washing. The houses are clustered in an area surrounded by farms and extended fields. Most of the roads in the village are paved, with the exception of narrow paths which are muddy and stained with animal loitery. There are two cemeteries: one located on a hill west of the village for the Moslems, the other located on the southern outskirts for the Christians. The village is exposed to cold winds and rain during the winter season. When it rains, the streets, the school yards and the muddy paths remain stained with water until the sun dries it all. There is a soccer field located east of the village.

The houses are a mixture of stones and mud bricks. According to the housing census of 1961, there are 708 buildings, 695 of which are permanent structures and the remainder are Bedouin tents. There are 225 houses built from dressed stones, 436 from undressed stones, 11 from concrete, 7 from cement blocks and 16 houses from mud-bricks.

The Bedouin tents are erected along the outskirts in an open field south of the village. Most of the buildings are of one story, 649, while the others, 46, consist of two story buildings. The ceiling of the houses is about 16 feet high and the roof is made of bamboo sticks tied together on two metal, or wooden, bars covered with mud about one and one-half feet in thickness. The walls are about two and a half feet thick on the four sides. The houses generally are cool in summer and warm in winter. The dressed stone houses are stronger than the other types. As a result of the heavy winter season in 1963-64, several old mud-brick and cement block houses fell and were partially damaged.

The present trend is to move out to the outskirts of the village near paved main roads. Well-to-do villagers prefer the stone houses and the less privileged ones use cement blocks. Because of the migration of villagers, many houses are being rented for teachers and their families or to other families who come to the village. Palestinian refugees came to Al-Huson and settled in the village since 1948.

C. Social Organization. Before treating the structure of Al-Huson society, it is essential to speak about the village population. In 1950 the population of Al-Huson was near 7,000 persons. The census of population and housing in 1961 indicated that there are 3,728 persons

presently living in the village. If the estimate of 1950 was correct, it means that nearly half of the village population left the village between 1950 and 1961. There are 710 families. According to the census of 1961, there are 1,698 Moslems and 2,031 Christians. The distribution according to sex is 1,823 males and 1,905 females, out of which 738 females are under 15 years of age and 178 above 50 years. There were 1,127 students between the ages of 5-24 years, 658 males and 442 females. The students constitute about 32 percent of the total population, which is a high percentage compared with other villages in the East Bank of River Jordan.

The number of villagers who are members in the local credit and thrift cooperative is 48, sixteen of whom are living outside the village.

The village has been suffering from out-migration to urban centers in search for civil employment. Educated villagers refuse to stay in the village. Among adults, there are only 15 percent who are actually engaged in farming. Others are merchants, business owners or retired old men.

The social organization of the village includes modern as well as traditional elements. The outstanding social phenomena include the Municipality which took over traditional leadership patterns and the modern school systems. Traditional forms of organization influencing interaction of villagers are the institutions of marriage, the family,

traditional courts, economic institutions, recreation and religion. Each form will be treated briefly.

1. The Municipality. The Municipality was incorporated in the village in 1943 following a request forwarded by villagers. The village Council consists of seven members elected by a majority of the voting population which includes males eighteen years of age and over. The Council is entrusted with matters of improving the village, such as levying taxes on property, agriculture and land. Projects accomplished by the Council since 1934 were: erecting a Mosque for Moslems, a new school for girls, paving roads connecting the village with the main highway, installing telephone and electricity services, approving the opening of two offices for taxi service and issuing licenses for shops.

Unlike the surrounding villages, the people of Al-Huson participate in local elections. The term of Office for the Council is four years. During election campaigns, the voting population is split into two opposing parties. Each party supports a list of candidates in accordance with the kinship affiliation and religious affiliation. The Mayor expressed his views on elections, stating "The partisan blocks create dissention and misunderstanding among villagers. Every candidate aims at the seat of Mayorship and if not elected then refuses to participate in Council's meetings and does not cooperate with the newly elected Mayor."

The village municipality initiated the establishment of welfare societies, brought electricity to the village, and cooperated with the Government in bringing water pipes as well as legal matters related to village affairs. Being a member, the Mayor's attitude towards the local credit cooperative is "If it remains at the present condition, it will not continue as a useful device, and the Ministry of Social Affairs and Labor should supervise the operations in every way, because the present membership is not willing to cooperate in strengthening the society and making it more effective."

2. Education. The early establishment of schools goes back to the 1900's when early missionary groups initiated teaching in the village. Moslems had traditional schools in which the holy Koran was taught. Because of kinship enviousness and subtle competition, each family attempts to send its sons and daughters to one of the private or public schools presently existing in the village. The schools in Al-Huson receive students from the neighboring villages as well. The number of schools, affiliation, level of education and enrollment is given in Table 21.

There are two public and five private schools for elementary, intermediate, and secondary levels in addition to a vocational training school. Private schools are subsidized by church sources in the village and in Jerusalem. In addition to the figures in Table 21, there were 38 students studying at Arab universities in Iraq, Syria,

TABLE 21
THE SCHOOLS IN AL-HUSON

Type	Sex	Affiliation	Level	Enroll- ment
Public	M	Government	Secondary	550
Public	F	Government	Intermed.	325
Private	M	Catholic	Intermed.	55
Private	F	Catholic	Elementary	45
Private	Mixed	Latin	Elementary	40
Private	M	Sabti	Elementary	90
Private	F	Protestant	Vocational	34
*Total				1,139

Private schools emphasize the teaching of religion, languages, and civic training while public schools offer a broad curriculum including liberal arts and sciences.

Parents allow their children to obtain education and entrust the teachers with full authority for discipline. The teacher is respected in Al-Huson community. Villagers occasionally attend football games played at the local field and some school activities. The community participation in the cultural programs held in the public and private schools is rather limited to few individuals with limited education and interest in such programs. Villagers are proud of the fact that their community has so many schools and that several men occupied high positions in

*This total includes 100 students in public schools from the neighboring villages.

the national societies. In fact this is considered the social capital of the village.

One of the disadvantages of the educational institutions in the village is the export of the educated elite. Young men and women, when completing high school in the village either seek employment in the cities or continue higher education. Often they elect to reside outside the village in towns and cities depending on the employment conditions. Although this is an advantage to the national society, eventually the village will be left to old men, women and children, a factor which disturbs farming operation and the agricultural enterprise.

3. Marriage and Family. The family in Al-Huson is the institution which represents emotional bonds among individuals who ascribe to a clan. The kinship solidarity and identification in times of stress and prosperity are practices inherited from one generation to another. The kinship structure in Al-Huson community follows a patrilineal line, and a clan is referred to by the number of heads, meaning living males, in each clan. There are the Christian, Moslem and the Sabti kinship groups existing in Al-Huson. The Christians form ten clans which are: Al-Nmura, Al-Jebreen, Al-Ghanmat, Ayoub, Abassy, Oudallah, Magayreh, Al-Rihani, and Al-Ammary. The Moslems form two clans, Al-Nserate and Al-Hatamleh. The Sabti group forms only one clan which is Al-Swedan.

The origin of the clans and the year in which the eldest member, or the great-grandfather, arrived in the village are different. Some came from towns in Palestine such as Al-Nmura from Nazerith, Aal-Jebreen from Bethlehem and Al-Ghanmat and Ayoub from Ramallah. Other clans came from Iraq and Syria: Al-Rihani, Abassy, Al-Nserate and Al-Hatanleh. The remaining clans came from predominantly Christian towns in Jordan such as Jarash, Salt and Karak, as in the case of Al-Swedan and the Magayreh. Each of the above clans had a story about its coming to Al-Huson. In every case, however, the first newcomers, Al-Nmura and Al-Nserate, during early settlement fled their original homes as a result of Turkish persecution. Other factors affected their initial movement, including the desire for trade, running away from Bedouin raids or seeking asylum in cases of murder. The existing population in Al-Huson represents the fourth, third and second generations of the original settlers.

The family in Al-Huson consists of grandparents, children and grandchildren. In marriage the patrilocal system is followed. Early marriages were endogamous; in recent years the trend has been exogamous because of urban influence. Still, parents take major roles in marrying their sons or daughters. The son's father approaches the elderly men of the girl's family and negotiates for the marriage of his son. Marriage patterns vary between Moslems and Christians. The Moslem pattern consists of traditional

practices such as payment of a certain amount of money, ranging from JDs 100 to 400, as a dowery, and in most cases the groom may see the bride once by accident but never talks with her or sits with her before engagement. The courship period is very short and the couple lives with the parents of the husband. The parents of the girl give the final decision when concluding the marriage deal.

Ceremonial activities take the following process:

a) eldest members of the bride's clan visit the father of the groom and officially request the hand of the girl, after they are sure that they would not be turned down;

b) date of engagement is agreed upon by both families, and a Moslem Imam (religious leader in the community) concludes the engagement;

c) three days before the marriage, the groom's family holds ceremonies consisting of folk dance and feasts which usually last until late at night;

d) on the day of the marriage, the relatives of the bride come from where ever they happen to be and participate in the final ceremonies which last from morning till late evening. Processions for the groom, while riding on horses, start from his house and continue to the house of the bride. Then the bride is taken by women and follows the groom's procession to a house prepared for the night;

e) the bride and groom are left alone all night, and the following morning they go to the house of the groom's father;

f) guests are received for one week, and the parents of the groom offer daily lunches for whoever happens to be visiting at the time. Money gifts are offered to the bride and groom. There is no honeymoon for Moslem villagers. The couple continues to live with the parents of the husband the rest of their lives.

As for the Christians, each sect concludes marriage ceremonies at the designated Church. The Priest, along with the eldest members of the groom's clan, officially requests the hand of the bride at the Madafeh. Christians are more flexible than Moslems and allow the couple to be together and talk privately, even letting them go to the city accompanied by the bride's younger sister or brother. The details of ceremonies resemble those of the Moslems with the exception of the final step when marriage is concluded in the Church by the Priest.

In marriage, religion determines the choice of the bride. Religious sects discourage any marriage of cross sects. A villager may marry a girl from the same sect from outside the village but not from another sect within the village. In Al-Huson, villagers tend to accept marrying their daughters at an early age. The youngest marriage was a bride who was 14 years of age when she was married.

The family organization is characterized by the primary biological unit consisting of the married couple and their children; the more comprehensive unit--the joint family--consists of the grandparents at the head, the

unmarried daughters, and the sons with their wives. At a certain point in its growth, the joint family forms new units and progresses in this fashion until a clan has developed which claims descent from one ancestor.¹ In the village family, the husband, the father, or the eldest male has the supreme authority in decisions pertaining to the family welfare. Women have inferior status and abide with the decisions made by the men. Women in Al-Huson do not veil their faces, but they do wear traditional costumes covering the head and the entire body including ankles and wrists. Their activities are limited to child bearing and upbringing, keeping the house, cooking and occasional farm work. Women can be present when families from the same kinship group visit each other, but they are not allowed to sit where men from another clan or strangers are present.

The descent in the village family follows patrilineal line and children are given the name of and do belong to the father.

The village community as a whole is composed of Hamulas which are directly or indirectly related to one another. A strong sense of belonging and of solidarity exists as a result of these intense family ties. Loyalty to the family is intense in times of crises, and family honor and prestige

¹ Ishaq Qutub, "Attitudes of Jordan Villagers Towards Community Development Programs," M. A. Thesis, C. C. N. Y., unpublished 1959, p. 41.

is the concern of all members. The bonds among the siblings are strong and the younger respects the older in the family and in personal affairs.

The village family is characterized by a high fertility rate. Cultural factors contribute to the large family size, e.g., demand for labor, the size of the Hamula is a status symbol, religion forbids birth control, especially the Islamic and to a lesser extent the Christian, and to have heirs to inherit the property and carry on the family name. The average family size in Al-Huson is around 6.7 children. However, among the educated elite the average is 4.6 at the latest census.

The relationship between children and parents is a lasting one and the son is obliged to care for his parents as long as they live. However, with the increase of educated elite, young men and women often do not share the opinions and ideals of their parents. Parents are considered traditionalistic and conservative, a condition conducive to family tensions and ideological conflicts result, and children withdraw from the village to live in the city. Parents, moreover, find themselves making concessions to their children. One father expressed this trend as follows, "This generation is different from our generation; they (meaning the educated elite) do not cherish the ideals we were brought up with and are affected by westernization; they want everything modern and are not satisfied with simple living. We have to go along with them in order to

keep the family ties strong."

The village community does not tolerate illegitimate births. The girl who carries an illegitimate child is killed by members of her family in order to preserve the family honor and reputation.

4. Traditional Courts. Traditional courts have existed in Al-Huson over a century and are presently functioning in the village along with the civil court in the District city of Irbid. The primary function of these courts is to arbitrate in cases falling into one of five types. These are: a) cases of stealing sheep, b) disputes over horses, c) land ownership and borders, d) disputes of blood-murder, and e) cases involving violation of moral codes. Each type of the mentioned cases has a traditional judge who is appointed by the clans and the judgeship is inherited from father to son, provided the latter is competent and has a good reputation.

The process by which the court is held follows the same routine in the five types mentioned above. When a violation, or an offense is committed, the two parties--the offender and the victim--appear at the house of the designated judge depending on the type of the offense. The victim presents the case starting with a ritualistic phrase appraising the judge's competence and swearing to tell the truth, stating that God will be the witness for his claim and that he should lose his honor if he does not tell the truth. The judge listens to both parties; he then

requests each to name a guarantor. The judge then seeks the opinions of the Mukhtars and the wise elderly men of the village. The majority of opinions influences the decision of the judge. Then the judge announces the verdict after he has ample evidence and information about the case, and the guarantors of the accused are supposed to observe the fulfillment of the Court's decision. The decision may vary in accordance with the complexity of the case. Most often monetary compensation, as estimated by the judge, is the form of punishment. In any case, the accused is expected to prepare a feast and invite the Mukhtars and the eldest kin of the offended. Following the feast the two parties should resolve their differences. Each of the above traditional Courts will be treated briefly.

a) Sheep Court. This court deals with cases of disputes between sheep owners and the shepherds. The shepherd may steal a number of sheep from the owner, or the owner may take his flock from the shepherd before the termination of the period of service agreed upon by both parties. If the shepherd is accused, after the hearings, the judge may order him to give four sheep for each one stolen.

b) Horse Court. Horses have been considered a status symbol. Conflict may arise between the seller and the buyer of a horse or a number of horses. The payment is made in installments. Equivalent amounts of grain are given, sometimes, instead of money, and if the

buyer fails to fulfill the conditions agreed upon, the seller brings the case to the Judge of the Court. Cases for this Court have been very few.

c) Land Court. Because land was held in common, and farm boundaries were not well defined, misunderstanding often occurs among villagers. One villager may claim a piece of land or a part of it which is not his, or he may plough a piece of land belonging to another villager. The judge arbitrates in such cases at his home in a nearby village called Ketten, 3 Km south of Al-Huson, and he charges one-fourth the worth of the object of dispute.

d) Blood Court. This is one of the most important courts in the village. If a villager kills by stabbing or shooting or poisoning another villager, from his own clan or from another clan, then settlement is sought at the traditional Court. A device for settling a blood-case is for the offender to pay the family of the victim a sum of money called Fedyeh, the amount being JDs 333, and a feast. Should the clan of the victim not be satisfied with the decision of the traditional Court, the case may be taken up at the City Civil Court in Irbid.

e) Moral Court. Sex offenses in Al-Huson are given special attention. Committing adultery, seducing girls, or attempting to attack or use force on girls are considered serious offenses and punishment must be conferred. If a settlement of the issue is not reached, a murder might be committed by the victim's clan in order to protect

the honor of the clan.

These courts are observed by both the Moslems and Christians in the village. Cases have been dealt with in the traditional courts and seldom has a case been taken up at the City Court.

C. Economic Institutions in Al-Huson. Al-Huson occupies the largest area of cultivated land among the villages in the District. The village had been known as a trading center and a grain producing area. When the nearby city of Irbid took over the trading business as a result of recent growth, Al-Huson remained active in agriculture. Villagers depended on farming, grocery business, seasonal employment and general labor work. The total area of Al-Huson proper is 60,000 Donums, of which 14,000 are classified as uncultivated and 400 as forest. The remainder of the area is cultivable.

The main economic features of Al-Huson community include: 1) Agriculture, b) retail business, c) labor force, and d) traditional credit. Each will be discussed in brief.

1. Agriculture. The main produce is grain e.g., wheat, barley, corn, chick peas, and vegetables such as tomatoes and watermelon. Agriculture is dependent entirely on rainfall. Irrigated farming is not existent. Rainfall fluctuates from season to season. The fields are situated around the village and are extended covering an area 10 Km in all directions. Mechanized methods of farming exist side by side with traditional forms. Tractor combines

and ploughing machines are seen operating in the fields along with ploughs driven by cows, mules, horses and camels in addition to traditional threshing tools made of wood. Machinery in farming is used by big land owners and well-to-do farmers.

Agriculture is a profitable business when rainfall is abundant. But if rainfall slacks in any season, prices of grain increase, and farmers become indebted to merchants, grocers and moneylenders. Merchants and moneylenders exploit farmers in such circumstances. Farmers are forced to sell their produce at a price which the merchants desire. During the years 1959 and 1962 farmers suffered from drought and were forced to patronize financiers, seek partial employment in cities or venture in sharing a grocery business with a kin villager.

Due to uncertainty of agricultural seasons, numerous farmers became engaged in livestock in addition to those farmers already in livestock business. In the past decade nearly 200 farmers acquired livestock besides farming. In Al-Huson, as of 1963, there were 150 milk cows, 400 working cows, 100 horses, 250 donkeys, 1,200 head of sheep and 20 camels. When faced with slack agricultural seasons, those farmers owning livestock are forced to sell part of their animal stock in order to maintain life until the following season. Owners of livestock in Al-Huson are not experienced in raising animals nor articulate in improving the quality of the stock. Instead, their stock of sheep, cattle,

horses and camels are given to Bedouin herders who live in camps at the outskirts of the village. Careless shepherds destroy and damage farms and small trees when they take the livestock for pasture. As a result, tension and misunderstanding often break out between farm owners and livestock owners.

2. Retail Business. Formerly Al-Huson was a station stop for merchants coming from Damascus and Istanbul. Neighboring villagers used to come to Al-Huson for business and to buy retail goods. Presently retail business stores deal with such materials as grocery items, meat, stationary, vegetables, house implements, textiles, grains, shoe repair, blacksmith and metal works. There are 100 retail stores of various kinds. The volume of business is not impressive. One retail store owner said "Business is not so good, and it barely provides income for meeting living expenses." Other forms of business in Al-Huson include one barbershop, one hand-operated gasoline pump, two taxi offices, and two mat making outfits. Patrons do not exceed the village inhabitants.

3. Labor Force. One of the significant aspects of Al-Huson is that its inhabitants are attracted to city employment, especially the educated elite who look down on farming as an occupation. As a result, the village offered to the national society a number of professionals, and this in turn decreased the number of actual farmers. As stated earlier, farmers are forced to seek seasonal unskilled

employment and gradually leave their farms to live and work in the city. In the past decade, villagers report that the number of employees who are actually employed and are living in the towns and cities reached 750 persons. The number of unskilled laborers during the same period was reported to have been nearly 1000 laborers. Young women who complete high school in the village are allowed by their parents to seek teaching jobs outside the village. Moslems tend to be more conservative than Christians in allowing their daughters to continue for a university education or to work outside the village.

The Mayor reported that when the Municipality undertakes construction work in the village jobs become available to farmers and laborers from the village. Nevertheless, every year the number of unemployed, i.e., those who complete high school and do not continue their higher education, increases and adds to the national problem of unemployment.

In Al-Huson there are a few Palestinian migrant families who came to the village following the Arab-Israeli conflict. Also, there are a number of Palestinian families who annually come to the village at the harvest season to work for farmers. They are paid either in cash or in wheat. Many farmers agree to give each laborer one Mudd of wheat for every four Mudds harvested. When machines, tractors and combines are hired by a farmer, the payment is made in cash or on credit for which settlement is made at the end of the harvest season.

Because of the migration of the potential farm labor force from Al-Huson, wages for hired help have increased nearly 50 percent in the past decade. Sometimes laborers are recruited from neighboring villages, and work arrangements have to be made one week in advance. The farm labor has been decreasing as mechanization enters into the farming operations.

4. Traditional Credit System. In the early history of the village, Turkish monetary units consisting of gold, paper money and coins were circulating in small quantities. Gold coins were popular and the gold pound, equivalent to a Sterling Pound, was used. Following the British Mandate Government, British monetary units replaced old Turkish money. Since the establishment of the Hashemite Kingdom of Jordan, currency was changed to Jordanian monetary units.

Traditional credit systems differ between Christians and Moslems. Christian financiers and merchants extend a loan, *Deinah*, and charge an interest rate ranging between 20 to 40 percent. For mortgage, the lender accepts any item ranging from gold jewelry to property. Sometimes the borrower signs a statement acknowledging the receipt of the loan. The statement is held as evidence against the borrower if he attempts to avoid payment. Moslems in Al-Huson never charge interest on loans given either to fellow Moslems or to Christians, because it is forbidden by the holy book, the Koran. Instead, the Tala' system is applied. *Tala'* means that the borrower swears by God

that he will repay so many Mudds of wheat (A Mudd is equivalent to 24 lbs), at the end of the harvest. The lender calculates the price of a Mudd and requests the amount of Mudds, thus charging relatively higher interest rates than the Christian lender. The Tala' is still practiced by Moslems in Al-Huson. The Christian lender, however, may accept wheat or livestock in repayment of a loan. Should the borrower fail to pay on schedule, for one reason or another, the loan is extended to the following harvest season with an added interest. Debtors often find themselves unable to fulfill the conditions and become forced to sell a piece, or pieces, of land to make the repayment. Many a villager, whether Moslem or Christian, made a living by extending credit to other villagers and accumulated wealth in a short period of time.

Lack of trust among villagers leads them to require two witnesses and a guarantor when a Deinah is concluded. One Moslem moneylender gave a distinction of the types of customers by way of experience. He stated "I prefer to loan to a Christian than to a Moslem or a kin because the Christian, when he promises to repay, fulfills the promise."

In Al-Huson, like in the village of Aboud, Kurda is extended to close relatives or special friends. Also, the barter system, Moqayadah, is in existence. Some villagers stated that they annually conclude an oral agreement with a merchant or a grocer whereby they buy on credit all year around and repay the credit in equivalent amounts of

produce at the market price.

The Moratorium issued by the Government in 1959 helped farmers and adversely affected the moneylenders as in the case of the village of Aboud.

D. Recreation. Although Al-Huson had been active in recreational programs when a Sport Club was established in 1939, present recreational activity is limited to the younger generation. The Club was active in organizing general lectures, tea gatherings at which guest speakers were invited, until 1949. In this year, the Club members engaged in controversial political activities such as the formation of cliques adhering to outlawed political parties, such as the Communist, Socialist, and the Bathist (resurrection) parties. As a result, the Government ordered the Club to close and imprisoned 30 members of the three parties. The Mayor stated that this experience has inflicted the community recreational programs for several years.

Other forms of recreational activities for adults varies. Among the popular games played in the houses, coffee-shops and along the sidewalks are cards, trick-track and bargees.¹ There are three coffee-shops in Al-Huson patronized by adult villagers almost daily all year round. Gambling is a habitual practice for most adults, with the exception of those Moslems and Christians who are religious.

¹ Bargees is an Oriental game. Two to four players use six sea shells of two sides. The winner is the player who completes the ninety-nine squares drawn in the shape of two crosses.

One villager lost his money, a taxi and a truck in one week of gambling. Gossiping, discussing local politics and national affairs seem to be favorite pastimes of men, women and youth alike.

Religious holidays occupy villagers with various types of recreation. Traditionally such occasions call for holding feasts, visiting and having reunions with relatives living outside the village. Moslems celebrate the holidays of Eid El-Fetr, Ramadan, Eid Ul-Adha,¹ and Mohammed's birthday. Christians observe Easter, Christmas and Thanksgiving. Perhaps the reunion of families on such occasions strengthens the bonds of clans and kinship groups. Moslems and Christians exchange visits and welcome one another at home on the mentioned celebrations.

Women take part in marriage ceremonies and spend their spare time in weaving, knitting, gossiping and raising children. There is little cooperation between the girls' and boys' schools in the local community. In spite of the fact that they support education and contribute towards expanding schools' facilities, parents on the other hand are either too busy or not interested in the schools' programs.

¹ Eid El Fetr is a religious holiday celebrating the end of Ramadan and usually lasts for four consecutive days. Ramadan is the month during which Moslems fast from dawn to sunset and is one of the main principles of Islamic faith. Eid Ul Adha is a religious holiday which lasts four days and celebrates the Haj, one of the principles of Islamic faith.

E. Religion. The inhabitants of Al-Huson are unevenly divided in their religious affiliation. There are the Moslems, Catholics, Protestants, and Al-Sabtis, whose beliefs are similar to those of the Samaritans. Each of the main groups has its own religious practices, holidays, rituals and ceremonial activities. The Priest and Imam played a leading role in the community when villagers considered religion an integral part of their lives, in the early days of the establishment of the village. However, presently religion is next to business, especially among migrant villagers and the younger generation which considers the institution of religion an element of backwardness and conservatism. The trend is marked by lack of interest in Church or Mosque.

There are six holy places in the village: three churches for Catholics, one for the Protestants, one for the Sabtis and one mosque for the Moslems. Any visitor can easily identify the diversity by hearing church bells or the mu'azen--a person who calls Moslems to prayer five times a day--frequently sounding throughout the day. Churches compete with one another for increasing their memberships. Programs such as family conseling service, relief assistance, schools, and vocational training are often used for attracting the villagers. Occasionally the Priest or Imam makes visits to villagers at their homes, during which discussion of religious issues are held. Aside from the social obligation of exchanging visits on religious holidays,

each religious group keeps to itself. Interdenominational interaction is observed in business and farming operations. In achieving one's needs, he cares less for religious barriers as he looks to concluding a favorable deal or having his crops processed.

F. Social Change. The traditional and modern elements of life exist in Al-Huson side by side. Present trends of change have touched many aspects of the traditional village system and organization. Today there are individuals, the educated elite, who aspire for a modern style of living in spite of the existence of elderly people who resist the technological changes. The once homogeneous and simple community is gradually being transformed into a heterogeneous and more complex society. Technological elements such as cars, pepsicola, penicillin, wrist watches, radios, agricultural machinery, modern houses, and furniture have penetrated the village community. More important, there has been a trend of formation a new stratum in the social class structure--the middle class. Although small compared with the present population of the village, it has succeeded in bridging the gap between the rich big landowners and the poor, less privileged farmers. The rise of this stratum is influenced by education. Rich as well as poor families send their children to the local public and private schools. Following the completion of the secondary level, young men are able to get employment in cities, thus acquiring a position in the urban community

and a higher status in the village. One villager, Dr. Khalil Salim, received a Doctorate Degree from Columbia University and became a Minister. His family still lives in an old house and his grandparents wear the traditional costumes, sleep on the floor and eat with their hands. Such a person is expected to help his relatives and friends in the village to become employed in the city.

In order to keep up with the neighbors and his fellow kinsmen, a villager feels obliged to acquire, whether by cash or credit, implements and items such as radios, telephone, electricity, gas heater, utensils, and modern furniture. Even newly wed couples imitate the urban style of spending the honeymoon outside Jordan. A decade ago a couple leaving the village after marriage became the talk of the community.

The younger generation leads social change in the village and influences the older people. Young people, starting at school age, begin to acquire new ideas and a new outlook on life. It is the school, not the home or the church, that serves as the agent of change. The high school graduates are generally dissatisfied with traditional living and aspire to become urbanites. The village has nothing to offer in terms of gainful employment, and it drives the young element to cities and as far as the neighboring oil-rich Arab countries.

The traditional-conservative elements are constantly challenged by modern forces, and, being unable to suppress

these trends, older people reluctantly make concessions to go along with modernism.

The educated elite and the skilled laborers who work outside the village contribute to village progress by sending money to their folks or by suggesting ideas to build the village community.

The material elements of change are readily accepted in Al-Huson; however, the rituals, habits and village customs remain the same. It will take some time for the non-material aspects of culture to change.

G. The Rural Credit and Thrift Cooperative. The Cooperative Field Organizer visited the village several times and discussed the idea of establishing a credit cooperative in Al-Huson. In his report to the D. C. D., he stated "I found the villagers enlightened and they realized the need for a tractor because their land is so large--60,000 Donums, and I recommend the establishment of a rural credit and thrift cooperative society."¹ The report which includes data on the socio-economic conditions of the village further states "villagers are indebted to 7 moneylenders a total amount of JDs 60,000 and pay an interest rate of 40 percent. The area of land being under mortgage in 1955 totalled 20,000 Donums."

¹ It was reported that the Organizer was interested in organizing the cooperative in order to show his superiors his ability. Therefore, he tempted villagers into speeding action without a full understanding of cooperative principles. The D.C.D. depended on the Organizer's report and issued a registration certificate for Al-Huson Cooperative.

In September 1955 twenty-four villagers signed the application for organizing the cooperative. They stated that they were in need of loans for agricultural development, purchase of improved seeds, livestock, and a tractor in order to increase the productivity of their farms. The need for agricultural machinery was much greater than the need for seasonal loans, but the trend of the cooperative movement stressed, then, the establishment of rural credit and thrift cooperatives. Villagers interpreted the credit cooperative as a source of finance coming from the government in the form of a grant to be paid over a long period of time. Several respondents stated that they thought the funds came from the United States and England to be given to villagers and that they (U.S.A. and England) gave them to villagers in order to cause tension and create conflicts among them. Obviously members had different ideas and expectations about the nature of the cooperative. Few realized the real purpose of the credit institution. This factor, as it will be shown in this part of the Chapter, contributed to the many problems facing this cooperative.

The main problem villagers encountered at the early stages of cooperative establishment was poor agricultural production and consecutive droughts. The Government extended small loans to farmers payable in ten years as a form of relief and assistance. Also the D.C.D. allowed the postponement of cooperative loans, due to drought, three times

since the organization of the cooperative.

The following Table shows the development of the Al-Huson rural credit and thrift cooperative in terms of membership, share capital, savings and loans received by the members from 1955 to 1963.

TABLE 22
DEVELOPMENT OF AL-HUSON COOPERATIVE ¹

Year	Membership	Share Capital JDs	Savings JDs	Loans from Cooperative JDs
1955	30	30	40	1,413
1956	39	67	165	1,750
1957	55	98	225	2,200
1958	52	113	315	2,200
1959	54	167	410	2,550
1960	51	170	473	3,327
1961	52	214	610	3,530
1962	43	204	583	2,581
1963	48	222	631	3,173

It is indicated in the Table that the progress achieved between the years 1955 and 1963 was rather slow. For example, the average amount of loan received in 1955 was JDs 47, while in 1963 it was increased to JDs 66; the savings' average that members accumulated in the period of nine years increased only by JDs 12, and the average share capital increased only JDs 3.6. Membership fluctuated at the rate of 9 villagers joining each year and five members

¹ File of Al-Huson Cooperative, the District Office of the Ministry of Social Affairs and Labor in Irbid.

Information on total income from agriculture, income from other sources, and total loans from outside the cooperative was not available.

withdrawing from the cooperative. The savings and share capital for each member was deducted from the loan prior to receiving it. Probably, if members were given the liberty to deposit savings, they would not have saved as much.

The sample of respondents consisted of 21 villagers who are members in the local cooperative and 17 villagers who are not members. The total membership in 1963 was 48, of which 12 members were living outside the village and 6 were brothers or wives of other members. Those who were living outside and the brothers or wives were excluded from the sample. In other words the interviewed respondents represented 70 percent of the membership present in the village. As for respondents who were not members in the cooperative, the interviewed represented less than 2 percent of the population which is actually engaged in farming. Excluded were villagers belonging to the same family or kin, e.g., a brother, son, uncle and cousins. Villagers interviewed were those who welcomed the interview and who represented various religious and Hamula affiliations.¹

Respondents were interviewed in their homes, in grocery shops, at work in the field, along the side of the

¹ The Mayor and the Mukhtars of the village approached the writer and offered some comments about the study and said that it was better to complete the study as soon as possible. The writer felt it was convenient to leave the village when the above number of interviews was concluded.

road and any place desired by the respondent. It was felt that when respondents assign the place, they will be more willing to be interviewed.

The following analyses will treat social and economic conditions of respondents as well as other factors related to the status of the rural credit and thrift cooperative.

1. Social Organization of Respondents. The data collected on the social organization of respondents includes a) the family, b) occupation, c) religion, and d) age. Each of these items will be treated briefly.

a) The Family. All respondents, 33, stated that they were married. Eighteen percent of them married two times in their lives and only two respondents stated that they married three wives. All respondents stated that they have one wife at present. Reasons for marrying more than one wife were: divorce and/or death of a former wife. Villagers ordinarily choose their wives from within the clan. Fifty-eight percent of the respondents stated that their wives belonged to the same clan, while 24 percent stated their wives belonged to another clan in the village, and the wives of the remaining 18 percent came from outside the village. The educated villager, however, is not satisfied to marry a native girl with limited education who is out of touch with the urban style of life. The trend is shifting towards marriage of girls from Al-Huson who are educated or are city girls. Respondents

expressed their attitudes concerning the marriage of daughters. Their first preference for a husband to the daughter is the cousin, then the friendly clan from the same religion and last the outsider. The reputation of the man, his occupation and his descent are, in this order, the characteristics they consider for the daughters' marriage. As for the qualities sought in the girl prospect, beauty, fertility, age, reputation of the family and clan are considered in this order.

The average family size ranged from 7 children in member families to 6 in non-member families. This figure is normal in Jordan rural families. Three member respondents stated that they have two children working in the village and the remaining working outside, or enrolled at one of the local schools. As for non-members, six respondents stated that they have between 1-3 children working in the village and the remaining are either working outside the village or still at school. One Mukhtar stated that "nearly every family in Al-Huson has one or more children working in cities in Jordan or in the Arab countries." Unlike the village of Aboud and Quiba, Al-Huson has very few villagers working in Western countries.

b) Occupation. The cooperative of Al-Huson consists of members with various occupational pursuits. Only 52 percent of the respondents stated that their main occupation was farming. The remaining 48 percent are engaged in business, or are civil servants. Non-member

respondents are by majority farmers. The following Table shows the distribution of occupations among respondents.

TABLE 24
MAJOR OCCUPATION OF RESPONDENTS

N=38

Occupation	Members	Non-Members	Total
Farmer	11	16	27
Grocer	--	--	--
Barber	1	--	1
Butcher	1	--	1
Retired land owner	1	--	1
Civil Servant	<u>7</u>	<u>1</u>	<u>8</u>
Total	21	17	38

Respondents were asked to state their minor occupations. The following Table shows that the majority of them had a minor occupation, a condition which reveals that income derived from the major occupation is not sufficient to meet the demands for expenses.

TABLE 25
MINOR OCCUPATION OF RESPONDENTS

N=38

Minor Occupation	Members	Non-Members	Total
Farming	-	2	2
Grocery Business	5	1	6
General Labor	2	2	4
Mechanic	1	1	2
Butcher	-	1	1
Merchant	-	1	1
Civil Service	-	1	1
None	<u>13</u>	<u>8</u>	<u>21</u>
Total	21	17	38

The two Tables indicate that cooperative membership represents various occupational interests, a factor which adversely affects the progress of the cooperative. The needs of members are diverse and lack of homogeneity creates numerous problems in the operation in meeting the real objectives sought by the cooperative.

As for the level of education of respondents, the standard is relatively higher than in the surrounding villages and those of Aboud and Qibya. Only 37 percent of respondents stated that they never went to schools existing presently in the village and rated themselves as illiterates. The remaining 63 percent attended schools and completed up to the sixth grade. The majority of respondents said that they can read and write. Nearly 90 percent of respondents stated that they have children who completed the intermediate level of education, and the majority of these intend to proceed to the high school level.

c) Religion. As stated earlier, there are three main religious groups in Al-Huson, namely Christians, Moslems, and Sabtis. Respondents are affiliates of these groups in the following proportion: Members - 9 Christians, 8 Moslems and 4 Sabtis, and Non-members - 7 Christians, 8 Moslems and 2 Sabtis. In discussing the cooperative's affairs, religion takes a secondary role.

d) Age. The age of respondents ranges from 35 years and above. The majority, however, are in the age bracket of 50 and 60 years. The following Table shows the

age distribution of respondents.

TABLE 23
AGE DISTRIBUTION OF RESPONDENTS

N=38

Range	Members	Non-Members	Total
From 35 - 38	1	-	1
39 - 44	1	-	1
45 - 49	5	2	7
50 - 54	4	3	7
55 - 59	1	3	4
60 and above	9	9	18
Total	21	17	38

In order to continue in existence, the cooperative should include younger elements of the village population. The present age distribution among the members reflects a group who are already set in their habits and farming practices, a condition which limits the progress in the cooperative's operations.

2. Economic Situation of Respondents. In order to describe the economic situation of respondents, the following items will be discussed: a) land ownership, b) livestock, c) income, d) credit, e) expenditure, and f) indebtedness.

a) Land Ownership. The majority of respondents, 86 percent, stated that they own land and the remaining 16 percent are tenants. Respondents stated further that the land they own had been inherited from their fathers. The percentage of land purchased out of total

land owned is around 35 percent, and non-members have purchased land more than the members. During the last decade the price of land has increased, a factor which prompted some villagers to invest their capital in the purchase of land. One villager's views were that "when someone builds a house at the outskirts of the village the price of the land surrounding the house goes up." Some village urbanites purchase a piece of land along the main highway between Amman and Irbid in hopes of building a house when they reach the age of retirement. Land is a status symbol in Al-Huson, next to the social prestige derived from education and the occupations of family members.

As for the location of land owned by respondents, nearly half of them stated that the land is fragmented into lots within the territory of the village, while others have their land in fragments in and outside the village proper. Inheritance laws of Islam allow for a continuous division of land into pieces among the heirs. As for Christians, the order is less rigid. One brother may decline his right of ownership for another on the condition that the latter allocates an agreed upon ratio of the produce--or cash--annually for the former.

Fifty years ago the land tenure system differed from the present system. Each clan used to farm a designated lot, and the produce was divided among the families of that clan. Every five years the clans rotated or exchanged

the lots and so on. The Government propagated the land registration scheme in 1930, and since then each clan has owned the allotment as a result of general agreement among the village clans.

Member-respondents were asked to state the size of cultivable and uncultivable land before and after they joined the local cooperative. One member indicated that the area of his cultivable land had increased from 126 to 150 Donums. The remaining members recorded no change in the size of their cultivable land since they became members. In other words, cooperative loans had not contributed to, or were not a factor in, the increase of size of cultivable land. Naturally, the tenant is reluctant to invest loans in improving the land he operates because he knows that the land belongs to the landlord. Instead, he attempts to exploit the land, as much as possible, with little effort or hard work.

As for specialization in farming operations, it was revealed that 92 percent of the members specialized in grains, while the remaining 8 percent included a variety of products such as vegetables, grape vines and fruits. Next to grain production, livestock follows in the order of importance.

b) Livestock. In Al-Huson villagers tend to acquire the ownership of sheep, goats, cattle, chickens and pigeons in order to secure an income should farming operations fail to yield the expected produce. Among

the member-respondents, 16 percent indicated that they own livestock of the above mentioned types in quantities ranging from 1 to 20 head. It was found that loans from the cooperative are not invested in the purchase of livestock. Only one member respondent added 4 head of sheep with the cooperative loans he received since he joined the cooperative.

c) Income. Villagers' income ordinarily falls below the growing demands for expenses. Sources of income are confined to the following: agriculture, livestock, retail business, employment during off-farming seasons, and money from sons or close relatives. Respondents were asked to state their source of income before the establishment of the cooperative, in 1955, and after this year, whether from agriculture or other sources. The period before the establishment of the cooperative was considered as starting from 1948 until 1955.

The Table on the following page shows the range of respondents' income from agriculture and other sources before 1955 and after this year.

Table 26-A
Sources of Respondents Income in Al-Houson

Range	M e m b e r s			N o n - M e m b e r s				
	Before 1955		After	Before 1955		After		
	Agric.	Other	Agric.	Other	Agric.	Other	Agric.	Other
JDs								
1-49	-	1	1	1	0	1	0	0
50-99	2	2	0	2	3	1	3	2
100-149	4	2	4	5	2	0	2	3*
150-199	1	4	3	1	1	0	3	1
200-249	1	1	0	1	1	3	0	1
250-299	1	1	1	0	0	0	1	1
300-above	10	5	10	0	10	3	8	6
No Answer	2	5	2	9	0	9	0	3
TOTAL	21	21	21	21	17	17	17	17

* Two members and 3 non-members were reluctant to reveal their real income.

The Table indicates that about 47 percent of the respondents stated their annual income before and after 1955 fell in the high range, JDs 300 and above. There is no recorded significance of variation in respondents' income from agriculture in the periods before and after 1955. Although there is a trend of increase in income derived from other sources, the cooperative members recorded more increase, in all ranges of income, than did the non-members.

d) Expenditure. The traditional social practice tends to influence expenditure of villagers, regardless of the availability of capital at hand. Ceremonial activities such as feasts, marriages and hospitality are socially observed in order to maintain traditions and to preserve the family prestige and reputation. In Al-Huson, as in Aboud and Qibya, a villager is apt to borrow from a money-lender or even use the cooperative loan for ceremonial expenditures. Such practices, in addition to the trend of acquiring modern implements, contribute to the overall increase of expense.

In order to describe the areas of expenditure, respondents were asked to estimate their annual expense on the following items: agriculture which includes fertilizers, seeds, insecticides, seedlings, etc.; livestock including the purchase of feed; household expenses; wages for hired labor; transportation including the cost of shipping products; and other expenses such as medical bills, education of children and emergency situations. Respondents were

asked also to state their annual expenditure before 1955 and after the same year. Table 26-B indicates the following: (1) the highest item of expenditure for the two intervals is "house" expenses, with the members spending more than the non-members, (2) expenses for all items, with the exception of livestock seemed to have increased after 1955 due to several factors including (a) frequency of travel to towns and cities for business and employment by taxi, bus or truck, (b) increase of the cost of living, and (c) an increasing demand for items due to the trend of modernization.

One villager said "I keep my grains in storage for at least three years, because I am afraid of the drought seasons." Expenses related to labor and machinery, although relatively low, have been increasing. Many of the villagers who raise livestock make agreements with Bedouin shepherds for pasturing animals. In the past there was no need to hire farm labor because the clan members had a mutual cooperation in various farm operations. Today, a farmer is forced to hire a tractor or a combine machine. Several respondents stated that "Machinery is less costly than manpower, and it can cover more area of land in a lesser time. Also it helps in increasing land productivity." Four years ago the members of the cooperative rented a combine for harvesting chick peas from a nearby agricultural cooperative as a joint project which proved to be economical.

Table 26-B

Expenditure of Respondents in Al-Huson Before and After 1955

NM:	None-Members
M:	Members
N:	38

NM: None-Members
M: Members
N: 38

Range	Agriculture		Livestock		House		Labor		Transportation		Others	
	Before	After	Before	After	Before	After	Before	After	Before	After	Before	After
	N M	N M	N M	N M	N M	N M	N M	N M	N M	N M	N M	N M
JDs												
1-10	4 -	- -	1 2 3 1	- - -	1 1 - 3	6 4 4 3	9 - 6 -					
11-20	1 2 3 1	5 2 3 3	- - -	- - -	2 3 1 1 7 6	8 7 1 - 6 1						
21-50	4 6 4 7	4 5 3 3	- - -	- - -	6 8 9 7 3 7	1 5 3 2 1 2						
51-75	- 1 - 2	1 1 1 1	- 1 -	- - -	4 2 - 3 1 2	2 6 - - -						
76-100	- 4 3 3	- 1 - -	2 - 1 -	- - -	1 2 2 2 -	1 - - - -						
101-150	- 2 - 4	1 - 2 -	6 3 3 3	- - -	- 1 - 1 1	- - 1 2 1 2						
151-200	- - - -	- - - -	2 1 3 5	- - -	- 1 - - -	- - - - -						
201-over	- - - -	1 - 1 -	7 16 10 13	2 1 4 - -	- - - - -	1 1 2 1						
No Answer	8 6 10 4	4 10 6 2	- - - -	1 4 1 8	- 1 - - -	2 16 1 15						
TOTAL	17 21 17 21	17 21 17 21	17 21 17 21	17 21 17 21	17 21 17 21	17 21 17 21	17 21 17 21					

e) Credit. Traditional forms of credit were given in the discussion of the economic institutions of Al-Huson. The types and sources of loans received by respondents prior to the establishment of the credit co-operative took various forms. Some respondents obtained loans from local merchants and moneylenders, others from relatives and friends. A few respondents received loans in kind as described previously. The following Table shows the variation of types and sources of loans patronized by respondents.

TABLE 27
TYPES AND SOURCES OF LOANS

N=38

Type and source	Members	Non-Members	Total
Cash from local merchants and shops	6	3	9
Cash from relatives and friends	-	3	3
In kind	2	3	5
Did not need to borrow ¹	<u>13</u>	<u>7</u>	<u>20</u>
Total	21	17	38

The Table shows that those respondents who borrowed used cash money and the sources were either merchants or

¹ Those respondents who did not need to borrow were either in good financial position or were young and their fathers handled the finances.

friends. Nearly 50 percent of respondents stated that they did not need to borrow. The reasons given for preference of the mentioned types of loans were: (a) it is better than any other way, (b) I know no other way, (c) it is more simple and less complicated, and (d) the source is readily available when loans are needed.

When compared with the way cooperatives extend loans to members, it becomes obvious that a villager tries to avoid complex operations in receiving a loan. At times, the cooperative may be at a disadvantage. A villager worries less about high interest rates charged by merchants since his main concern is to have the cash when he needs it.

In the three villages of Aboud, Al-Huson and Qibya, peasants encounter the problem of repayment of loans in due time, in addition to the problem of obtaining the loans desired. Some of these problems reported by respondents include: (a) the difficulty in finding a person who is willing to lend, (b) merchants and shop owners insist on the repayment when money is not available, and (c) the problem is more intensified when land productivity is low or when sons working outside the village do not send money to the family.

Seldom did villagers utilize the commercial banks for credit during the British Mandate Government. Only two respondents--non-members--stated that they received a loan from the Agricultural Bank once in their lifetimes. The

remaining respondents were satisfied with the traditional and local sources of credit. The reasons given for this preference include (a) they did not know any banks, (b) loans were complicated and required lots of papers and documents, and (c) they did not need to borrow, in this order.

As for savings, it is the man who is responsible for earning money, and it is a common practice that the wife is entrusted with keeping it. The methods of savings used by respondents in Al-Huson are similar to those of the villagers of Aboud, namely, the currency is kept in a safe place around the house, or in assets such as women's jewelry, gold coins and the purchase of land. Respondents, however, favored the saving method organized by the local credit cooperative as in the case of Aboud's cooperative.

f) Indebtedness. The majority of villagers in Al-Huson are indebted either to moneylenders, or to shopowners and friends. The amounts of debts vary from one villager to another. Ninety-seven percent of the respondents stated that they were indebted in varying amounts to the merchants, Agricultural Credit Corporation, moneylenders, butcher, grocers, and others. The continuous indebtedness is due to social and economic factors. The pressure of social progress in order to keep up with the kinfolks and acquire new implements, spend on education, and preserve the family's dignity are inducements for spending more than the available funds. Lack of organization

planning, and influence of tradition on modern business are conditions which keep the economic condition of villagers unstable. A motto followed by peasants states "Spend and God will provide," or "Spend what is in the pocket and the unexpected will come." The present generation of villagers will continue to be indebted, while the young, educated generation probably will live on the installment plan but enjoy higher economic standards.

4. Utilization of Cooperative. As stated earlier in this Chapter, members of the local credit and thrift cooperative had the idea that the cooperative is supported by foreign funds given as a grant. The occupational background of members is not homogeneous, a factor which presents functional and structural problems. The history of the cooperative did not reveal a real progress of the members' socio-economic conditions. The difficulties encountered, such as inefficiency in repayment of loans, inadequate loan distribution, arbitration in the case of renting a combine machine, delinquency in attending Board and general meetings, and exploitation of the cooperative for personal advantages, are all factors contributing to the degree of benefit from the cooperative enterprise.

a) Source of Idea for Organizing a Cooperative. The responses on the question "Who in your opinion started the idea of organizing the local village cooperative?" were as follows:

TABLE 28
SOURCE OF CO-OP. ORGANIZATION
IN AL-HUSON

N=21

Source	Responses
The Department of Co-op. Development	3
The Mukhtars in the Village	9
All the people in the Village	1
Yourself	2
Don't know	6
Total	<u>21</u>

It is clear that the respondents' ideas about the source of initiation of the cooperative varied. The Co-operative Field Organizer commented on the establishment of the cooperative, stating "It was obvious that those who applied for the registration did not fully understand the meaning of the enterprise and did not attend the regular meetings." The Field Organizer was reported to have made over ten visits before the cooperative was finally registered.

From the above Table it can be derived also that membership is motivated more by kinship influence than from independent initiative and choice of villagers. Nine member-respondents stated that they were motivated to join by the Mukhtars, the Mayor and influential kin-folks.

The image that a cooperative imprints in the local community, whether good or bad, consequently affects other villages who may be in need and are interested in becoming members. Non-members were asked if they tried to join the cooperative and why. The responses were as follows: 59 percent stated that they did not try and 41 percent said they did. The following reasons were given: (a) I did not want to, (b) I cannot work with the village folks, (c) I work and I am out of the village most of the time, (d) the interest is not very high-merciful, (e) I find difficulty in paying the loan at the end, and (f) I have a partner who is a member. Those villagers who attempted to join were attracted by the low interest rate charged on cooperative loans, while those who did not try to join seemed to have personal reasons. As a whole, the entire community seemed to have mixed feelings about the local cooperative in its present organization and form. The majority seemed to be dissatisfied with the operation and overtly stated that the Secretary and Treasurer are taking advantage of the enterprise for personal benefits, that members were not knowledgeable about the by-laws and their financial situation in the cooperative. For example, the Secretary included the names of his wife and son among the membership so that he receives a big loan for three persons including himself. The non-members indicated that they would join when the cooperative becomes organized on a sound basis. Several non-members expressed

their attitude as preferring to keep away from the co-operative.

b) Meeting 'Felt' Needs. When a member receives a loan from his credit cooperative, he utilizes it in areas touching on his immediate needs. Such needs range from a social obligation, such as marriage, hospitality, acquiring new clothes, implements, etc.-- or an economic need--such as purchasing land, improving the farm lot, purchasing farm machinery, terracing, deep ploughing and paying for laborers--to paying old debts to merchants and moneylenders.

Member respondents were asked about the accomplishments they had achieved, since they joined the cooperative, as a result of the cooperative loans. The responses were:

(1) 30 percent stated they did terracing, clearing and fencing but did not define the volume of work done,

(2) 15 percent stated they did deep ploughing, leveling and surface ploughing with no details,

(3) 10 percent stated they had new plantations added,

(4) the remaining 45 percent stated they did nothing to improve their land or agriculture.

The amount of loans given to members is a function of accomplishment and meeting the real needs. Eighty-five percent of respondents expressed the opinion that "the cooperative loan is not sufficient to do all the needed

work." The amounts received annually were considered as covering one fourth of the needed amounts per member.

As for the repayment of loans, only 30 percent of member respondents stated they were able to repay the cooperative loan in due time, while the remaining 70 percent stated that they were not able and were forced to borrow from moneylenders to make repayment in due time.

Member respondents were asked to express their opinion of the way they benefited from the cooperative credit compared with the traditional methods of credit. The responses are given in the following Table.

TABLE 29
RESPONSES OF MEMBERS CONCERNING
BENEFIT FROM COOPERATIVE LOANS

N=21

Response	Number
Better than traditional forms of credit because the interest is low	10
There are more benefits from the cooperative loan than old methods	5
It helps the villager and provides good credit terms	3
It is much better than old methods but it presents some problems	2
Some benefit	<u>1</u>
Total	21

It is indicative, for the members, that credit through the cooperative has been useful and preferred over traditional forms of credit. The main advantage stated was the low interest rate. Compared with interest of moneylenders, from 30-50 percent, the cooperative--charging only 7 percent, three of which goes to the cooperative--is a more attractive source.

Al-Huson credit cooperative has been engaged, since its establishment, primarily in extending and collecting loans. Little attention has been given to social and education activities. Seventy percent of the members stated that they have learned nothing from the cooperative because of lack of time, while 20 percent stated that they acquired a better sense of cooperation, and the remaining 10 percent stated that obtaining loans was the only thing they got out of the cooperative. In the records of the cooperative there exists no evidence of educational programs or other programs, aside from the regular annual meeting and occasional meetings of the Board of Directors.¹

Lack of education and activities may affect future utilization of the cooperative. Members were asked whether they intend to patronize the cooperative in future credit

¹ Attendance at general meetings frequently is limited to a few individual members. The Cooperative Field Organizer stated that the problem is to have all members attend. Often a member may delegate a friend or a kin to attend the meeting on his behalf, or may not attend for fear of having to pay his loan. Lack of contact with members leads to decreasing interest in cooperative affairs.

or not. Sixty-five percent of the members stated that they do not plan to depend on the cooperative in the future and gave the following reasons: (1) because of heavy indebtedness, (b) some Board members misused the funds,¹ (c) the cooperative is not very active and is uncooperative, and (d) has had limited accomplishments in serving the members. The remaining 35 percent affirmed their reliance on the cooperative in the future.

In spite of this trend, the majority of members expressed willingness to encourage other villagers to join the cooperative, as well as encouraging the establishment of cooperatives in neighboring villages. They made a reservation that members should know the enterprise and be educated on cooperative ideals and ideas before joining the enterprise. As for a federation of cooperatives, members were reluctant to support the idea on the grounds that they may not get along with outsiders.

c) Cooperative Knowledge. When the cooperative in Al-Huson was organized those who became members thought the loans were given in the form of grants because the Organizer hastened to recommend the registration of the cooperative. In the summer of 1964, a one-week training course was organized for Secretaries and Treasurers of cooperatives in Irbid District. On the third day of

¹ Members stated that two of the Board members make all the decisions pertaining to cooperative policies, a factor which invited the suspicion of the membership and natives of the village.

the course, the Secretary of Al-Huson cooperative who joined the course reported that he motivated four members to repay their loans. He stated "We did not know all this about cooperation"-referring to principles, philosophies, member relations, and the value of the cooperative enterprise. The Course was organized by the Cooperative Institute. Through group discussion, participants felt that the need for a storage place for the grain, a transport service such as a truck, a tractor and a combine machine was much greater than credit. Maybe an agricultural or a multi-purpose cooperative is more needed in Al-Huson than a credit and thrift function.

Lack of real responsibility created dissention and dissatisfaction among many members. There is no indication of educational meetings, film programs or cooperative lectures since the establishment of the cooperative. The Field Organizer stated that "I have made several visits to the village and only four or five members out of forty eight attended, but I don't seem to be getting very far in changing the attitudes of those members." Education and training is one of the basic needs, should the cooperative members desire to reap a larger benefit and improve their socio-economic condition.

d) Cooperative Ideology. In response to statements about their belief in cooperative action, members expressed positive attitudes towards: (a) the role

of the cooperative in decreasing the power and influence of moneylenders, (b) the need to eliminate individualism among members, and (c) the desire to accept any job and the willingness to live outside the village. The following Table explains some of the stated trends.

TABLE 30
RESPONSES ON IDEOLOGY STATEMENTS¹

N=21

Statement	Response		
	Agree	Disagree	N.A.
The cooperative helps big farmers more than little farmers	15	6	-
The cooperative helps in decreasing dependency on and influence of the moneylenders in the village	21	-	-
Business is so large and complex that small farmers have no place in the national economy	19	2	-
The cooperative has no great value for the villager	4	17	-
I believe that to find a job in the city is better than farming	10	11	-
A member in the cooperative looks for his personal interests and not those of the others	17	3	1

¹ A full account of members' responses is given in Appendix G. As a whole, responses of Al-Huson village did not differ significantly from the responses of Aboud and Qibya.



As it was shown the cooperative contributed partially in the social and economic development of the members. Lack of education, the disorganization and the investment of cooperative loans in areas other than farming productivity were factors in limiting the economic and social progress of the members.

The expectations of the members call for better and more sincere leadership in order to achieve the objectives sought in the cooperative endeavor. It is the responsibility of officials in the cooperative movement to examine the real problems and take positive action in the hope that a new spirit be created for the improvement of members' conditions, as well as for the community at large.

CHAPTER VII

THE VILLAGE OF QIBYA

The village of Qibya is situated on a hilltop along the Arab-Israeli Armistice line. The distance between no man's land and the center of the village is about 500 feet. The village is located 60 Km west of Ramallah and 80 Km northwest of Jerusalem. Qibya is surrounded by three villages: Shukba--6 Km north, Budrus--3 Km southwest, and Ne'leen--10 Km south. There is a main paved road connecting Ramallah with Qibya and the neighboring villages. The land area of Qibya before the Arab-Israeli conflict, in 1948, was estimated at about 27,000 Donums. After the war, the area became 5,000 Donums, with the other 22,000 Donums presently included in the Israeli territory. Villagers are not allowed to farm their land beyond the Israeli border line. The decrease in size of land to nearly 15 percent of original land area meant a change in the socio-economic conditions of the inhabitants. Villagers, who traditionally were farmers depending on land for livelihood, were forced to change their occupation to laborers or tenures. This change also touched the traditional family organization and increased migration from the village to nearby towns and cities.

Another event which made a psychological impact on

villagers in Qibya was the surprise attack by Israeli armed forces in November 1953 in retaliation for several incidents of Arab infiltration to Israeli territory. The attack resulted in the death of 45 inhabitants and the destruction of 80 houses. Ever since, villagers are in fear of future unexpected attacks. Following this event, contributions from Lutheran World Federation, Near East Christian Council, UNICEF, and the local Governmental agencies helped villagers in rebuilding the destructed areas. These agencies also built a new school with an infirmary, a chicken house, and introduced various projects for community development.

This Chapter will provide background information related to the history, population, physical characteristics, education, religion, economic conditions, and attitudes of villagers. Analysis of the rural credit and thrift cooperative will be treated.

The village of Qibya is unique from the sociological point of view because of its present characteristics, an example of forced change in the socio-economic traditional structure.

A. History of the Village. Remains of structures, as well as ancient olive trees, indicate that the village was inhabited during the Roman period. Elderly villagers recall that the first man ever to settle in the village was Ghedhan, who in 1350 A.D. left his former village near Nablus as a result of a dispute with his family. A

hundred years later, Al-Agrab, another villager from Amoria--Nablus District, came to live in Qibya. Ghedhan belonged to Qays political group and Al-Agrab to the opponent Yemen group. Both fought in the village, and many villagers were killed over the years. Finally both settled in the village. In 1950 Kutneh came from the village of Jenzo near Lydd, married from the Ghedhan clan and succeeded in naming a Mukhtar representing them. Since the separation, in 1943, there have been three Mukhtars serving as village leadership.

In 1927 the village population was reported to be 740 persons. In 1963 the population had increased to 2,260 persons. The census of 1961 indicated that the village population was 1,635, with 500 persons living in neighboring towns and cities. The 1961 census reported also that out of the population there were 799 males and 863 females, and 909 of the total were below 15 years of age. In spite of the low economic standards of production and income, population increase remains unaffected. Annual death rate was reported around 20 per thousand, and population increase at three percent.

Lack of means of livelihood forces the villagers to migrate in search of jobs outside the village and beyond Jordan. One or two persons in each family are working and living outside Qibya.

B. Physical Characteristics. The village is a cluster of houses situated on a hilltop with the fields surrounding it, except on the west side where the Armistice line separates the village from farms. There are 400 houses with 100 newly built. Old houses consist of two parts--a lower part for animals, chickens, pigeons, with a stairway leading to the upper part, a single room used for cooking, eating, sleeping and grain storage at the same time. There is a cemetery in the outskirts south of the village and nearly 50 graves in gardens near the houses. There are four yards used for threshing wheat, barley and beans. Inside the village there are several roads which are unpaved, muddy and narrow; the main road crosses the north side of the village. There is a newly built school consisting of seven rooms for the boys and one school consisting of three rooms for the girls. The water source for the village includes 15 dug wells, existing since the Turkish times, and a spring which supplies inhabitants with water for drinking, washing, bathing, and for animals. There is a police station which serves also as a station for the National Guard soldiers. A mosque is placed in the center of the village. There are two coffee houses and three Madafehs, one Madafeh for each of the three main Hamulas. The weather is cold in winter and warm in the summer. Rainfall in good winter seasons averages between 500-600 mm. It averages from 100-200 in drought seasons. The land is rocky as a whole except in

the southern fields where land is cultivable.

C. Social Structure. In this section, the following will be treated: 1. the Hamula, 2. the status of women, 3. marriage, 4. social institutions, 5. education, 6. religion.

1. The Hamula. The identification of a villager with his Hamula is strong. With matters related to marriage, education, decision making, and in village economic and social affairs, overt competition among the families and individuals in each Hamula is frequently demonstrated. For example, if a villager from Ghedhan opens a grocery shop, a member in the Kutneh clan opens a grocery shop near that of Ghedhan. When the telephone was installed in Qibya, the three Mukhtars were in dispute as to the place. Each Mukhtar wanted to have the telephone installed in the Madafeh of his Hamula. Then the Governor of Ramallah settled the issue by choosing a grocery shop along the main road as the place. The Mukhtars finally agreed when they felt the threat of losing the telephone all together. Another illustration of subtle tensions among the Hamulas was in appointing a new store-keeper and cook for a UNICEF program of feeding one daily hot meal for the male school students. The former employee was accused of stealing food supplies from the store for the program. Consequently, orders from the District Office were given to the Mukhtars to nominate a new employee

in order to continue the program. Because the Mukhtars did not agree among themselves on the nomination, school students have been denied the hot meal.

Each Hamula consists of families or Dars as follows:

a) The Hamula of Ghedhan includes the Dars of Abu Ghazaleh, Hamid, Nasser, Dallul, Al-Absi¹, Khalifeh, Halahleh, and Zukal. These Dars consist of 600 persons.

b) The Hamula of Al-Agrab includes the Dars of Salhe, Musallam, Abu-Qada, Abu-Sundos, and Abu-Sa'dah. 610 persons constitute these Dars.

c) The Hamula of Kutneh includes the Dars of Khatib, Abu-Ahmed, Nimer, Sarsum and Abu-Mahmoud, with a total number of 435 persons.

Social interreaction follows the pattern of Hamula affiliation. Villagers, however, do meet when invited to watch a football match by the school, in the Mosque when performing daily prayers, at funerals, and upon invitation to attend a wedding festival. As members in the local cooperative, regardless of the Hamula, villagers attend annual meetings and meet when receiving or paying loans.

2. The Status of Women. Village women are occupied with house work such as cooking, sweeping the yard, cleaning, baking bread in the traditional oven, fetching

¹ Dar Al-Absi came originally from Egypt in 1870 and joined the Hamula through inter-marriage.

water from the spring, helping in harvest or planting, and rearing children. They wear dresses which they make, cover their heads except for the face, hands and feet. They are not supposed to greet men nor look at them, and they stay at home most of the time. In marriage, they have little choice but to accept the decisions of the father or uncle regarding the choice of the future mate. Traditionally, women in Qibya have an inferior status to men. Even male children are preferred to female children because the male child becomes a man and faces the world while a female is always a problem because she needs protection in order to maintain the honor of the family and Hamula.

3. Marriage. Marriage consists of three stages: a) when the male expresses interest in marriage, b) the request for the hand of the girl prospect, and c) the marriage ceremonies. Each stage will be discussed briefly.

a) When the male, usually 16 years of age and over, expresses interest in marriage, or, as sometimes happens, he is motivated by parents who want to enjoy the happiness of marrying their son before they die, the mother makes an unofficial visit to the family of the girl in question and observes her manners, looks, and physical makeup. The mother, with her relatives, must conclude in a favorable evaluation before the final decision is reached.

b) Then the father, accompanied by the village Mukhtars or leaders, officially arranges a visit to

the father of the girl and formally requests her hand for his son. Then an engagement date is set and the Mahr, dowry, is agreed upon. The Moslem Sheik conducts the engagement ceremony by reading scriptures from the Koran, after which coffee is served.

c) The wedding ceremony, consisting of the wedding procession, is called Zaffeh. The groom rides on a horse surrounded by women who dance around the horse while it stops every 15 yards. The procession takes place from the house of the groom to a designated spot in the village, usually along the main street, where the women's dance stops. Then men take over the dance and hold a dancing circle called Dabkeh. They perform the Dabkeh every 10 yards until they reach the house of the groom. The procession ceremony starts around 3 P.M. and lasts until sunset. Then the family of the bride delivers their daughter, with the Mukhtars and relatives of the bride and groom standing around. After she has received gifts in cash called Nukut, the veiled bride comes out from the house of her family and follows the groom, with their relatives chanting songs until the couple reaches a designated room or a house in the village where they spend the first night. The mother of the groom and women relatives remain outside to wait until the groom comes out of the room waving a red colored handkerchief, meaning that his bride was a virgin. When the groom's mother and women relatives see the stained handkerchief they begin to dance

and sing in praising the honor of the family. This is an important item in village values. The family honor is adversely affected if the girl was discovered not virgin on the wedding night.

A villager may marry up to four wives for such reasons as the death of the first wife, sterility, long sickness, and the mere desire to have another--younger--wife.

The family size in the village ranges from 6 to 13 persons consisting of parents and children. Although a villager suffers from poverty, indebtedness and inadequate living conditions, still he never plans for providing his children with education, clothing, food and recreation. He believes literally in a Koranic scripture which states "Bring children and Allah will provide the Security."

4. Social Institutions in Qibya. The social institutions in Qibya include: the Madafeh, the Mosque, the coffee house, the spring, the schools, and the family Hamula.

The Madafeh, where the Mukhtars meet for discussing village affairs such as replying to letters from Government authorities, or seeking a solution to a problem, is generally a one-room place 8 X 10 meters in area, in a second story. The Mukhtar lives with his family in a room or two directly beneath the Madafeh. Villagers from the same Hamula get together in their Madafeh after dinner for gossiping and talking about subjects ranging from



agriculture to national and international affairs. The Madafeh is also used to receive visitors and officials and is a center for greeting villagers' kin in ceremonials, mourning and holy festivals.

The Mosque is the center of worship where villagers, regardless of their Hamula affiliation or social status, gather for prayers and religious duties. The entire village population is Moslem. Friday, the Holy day, when farmers take rest from work, is the day when villagers attend prayers more than any other day, especially the noon prayers. Other days, usually only the elderly villagers regularly attend the five times prayer-schedule of Moslems. The sermon ordinarily calls villagers to brotherhood, earning their living by working hard, and feeling kind to one another. In spite of the stimulating preaching, villagers cannot conciliate their differences outside the Mosque.

The Coffee House is another place for spending leisure time. Villagers play cards, gamble on a small scale, gossip, smoke the hoble bubble water-pipe, and listen to the radio. Those villagers who work outside the village and come home on Fridays usually meet at the Coffee House with their fellow villagers and talk about their adventures in the city. There are three Coffee Houses in Qibya which stay open as late as 10 o'clock at night. Villagers are accustomed to going to bed early in the evening and rising early in the morning to work on the farms or to ride

the bus to town.

As for the spring, it is the gathering place for women. While waiting for their turns to fill the water jars, they sit around in circles and gossip about house affairs, family problems and experiences. Sometimes fights break out among women, especially among those of opposing Hamulas. In one case two women fought for a trifling reason. The police interferred and solved the problem through the Mukhtars. A barbed wire was fixed so that the women would enter the spring area in turn and leave also in turn when the jars are filled. An agreement was reached that any woman who breaks the rule would pay five piasters. In the summer, when water becomes scarce, the water of the spring is sold at the rate of three jars for one piaster, in order to save water from waste. As a result, one can see clearly that the majority of villagers, men and women, wear their clothes a long time before they are washed.

The school serves as the educational institution for the younger generation. Parents, mainly fathers, may attend a football game or a film prepared by the school. Interaction between teachers and villagers is very limited. Villagers are motivated, for instance, to build an additional room for the school but are less interested in the curriculum or school programs. The school can play an important function in the community if properly utilized.

There is one intermediate school for boys with a capacity of 390 students and 11 teachers, in addition to one girls' elementary school with a capacity of 60 students and two teachers.

The family remains the smallest social unit in the village and sets the pattern of behavior for the individual. Although the families are affected by the Hamula orientation, differences among families of the same Hamula still exist. Family ties are weakened as a result of migration to other cities and towns in search of employment. Family members meet together on holidays, festivals, at marriage ceremonies, and funerals for short periods; then those who work outside the village return to their jobs. The family serves as a social and economic unit for the members, although recent trends in the village indicate that there are signs of orientation towards individualism. The son looks after his immediate family before he sends money to or supports his parents and relatives.

Seldom does a villager make a social visit with his wife to another family. Usually men visit with men and women visit with women. Children are left to play on the muddy streets without guidance or care. School children study and gather in the streets without organized recreation. There is a need for community programs for youth, women and men, especially in this village, so that villagers gain confidence in their ability to overcome problems

in spite of the hardships they have encountered.

5. Education in Qibya. Prior to 1948 there was one school building for boys, consisting of two rooms. After this year, when the building became part of the no man's land, a new school was built with the help of the Government, the Near East Christian Council and other foreign agencies. The new school has six rooms and an adjoining kitchen and a yard. In 1953, an elementary girls' school was built with two rooms for the school and two rooms for the infirmary. The boys' school is of intermediate level with an enrollment of 390 students, out of which 125 come from neighboring villages. School programs consist of educational programs every Wednesday when lectures and presentations by students are given. Sports activities include soccer, track, and volleyball for which teams are formed. Matches with neighboring schools are organized, but Qibya's sports teams seldom win, due to lack of experience by the coaches.

The girls' school has an enrollment of 60 girls studying up to 4th grade. When the school was serving a daily hot meal in cooperation with UNICEF and the Near East Christian Council, the enrollment was 150 girls. The number decreased when the meal was not offered due to dispute among villagers on hiring a cook. One Mukhtar said "We don't believe in the education of our girls. An educated girl is a dangerous thing because she would not keep village values, and she would face difficulty in

getting married." Unlike Al-Huson where villagers encourage daughters to continue education to facilitate their marriage to educated village youth, thus preventing marriages from outside the village, parents in Qibya discourage further education.

Parents tend to encourage their sons to continue higher education outside the village. If a student wants to get a job following completion of the Qibya school, parents tend to show little encouragement, while more encouragement for seeking a job out of town or outside Jordan is given.¹ The majority of students in the final year of school indicated interest in continuing their education, and 39 percent of the students in the 7th, 8th, and 9th grades indicated that they would choose teaching as a future career, 18 percent would choose the occupation of physician and 11 percent as soldiers in the national guard or army.² Reasons for their choices were: it is easy to get the job, to make more money, and earn better than any other job, respectively.

Education is valued as an economic advantage rather than social prestige. In Qibya the educated villager can

¹ The writer, with the help of the local school principal, conducted a study on the students in the top three grades in the school. Ninety students participated in answering a list of questions pertaining to attitudes of their parents towards the student's education. The study was done in March 1963.

² A student who obtains a high school certificate is able to teach in elementary rural schools. As for the National Guard or the Army, any villager can enroll provided he passes a medical examination.

make more money than the farmer and is able to send funds to his family, unlike in Al-Huson, where education is given a social value and Hamulas compete to have more highly educated individuals for the mere pride of it.

6. Religion. Religion plays an important role in village life. All inhabitants of Qibya are Moslems who confess that God is one and Mohammed is his Prophet. They observe prayers, giving alms and attending the Haj--pilgrimage to Mecca--if they can afford it. Practically, in every aspect of daily living, villagers have a fatalist ideology. Whether it is sickness, failure of farming or business, dispute among the Hamulas, death, marriage, success in life, villagers firmly believe that "it is the will of Allah (God) and Allah willed it to be so." Before making a promise, a plan for the next hour or the next day, a villager must say "if Allah wills," or Inshallah. For example, if a crop fails, a villager does not seek to inquire about the reasons of failure. Instead, he is convinced that it is the will of Allah and it is the punishment of Allah for evils he has done. He does nothing about taking necessary precautions for the future.

The Mukhtar of Al-Agrab Hamula expressed the ideology of religion. He said "man is a mixture of three elements: one derived from paradise, another from Hell and a third from the earth. The self originated from Hell, the body from the earth and the spirit from Paradise. Man passes through intervals of pleasure, sorrow, fortune and misfortune

in his lifetime." There are two main religious ceremonies, in addition to other mentioned in the previous Chapter, which will be treated briefly. These are the burial service and the Haj.

Burial services take special ceremonial activities. When a villager dies, the body is buried on the same day. The body of the deceased is washed with soap and hot water for purity, then dressed in a white garment with his hands crossed and eyes closed. The body is then taken to the Mosque where special prayers are offered and the deceased is laid in a wooden box, like a coffin. From the Mosque to the graveyard the body is carried on the shoulders of four or more men. At the cemetery the Sheik recites special verses lecturing the deceased on what to say when the two angels Gibarel and Israfel come to question him. The Sheik (Imam) reminds the deceased to say that he is a Moslem and that Allah is one and Mohammed is His prophet. Then the body is lowered into the grave and is laid leaning on the right side with the head towards the East--facing the Ka'ba in the city of Mecca, Saudi Arabia. Then the body is covered with stone blocks, like a casket, and covered with soil. Only men participate in the burial ceremony.. Women go to the cemetery at dawn of the following day of burial. They visit the grave and say Salamu Alikum--peace be unto you--and drink tea and weep for nearly two hours. On the third day, relatives of the deceased invite villagers for a Maftoul, rice and meat. The

following Thursday afternoon women and children go to the grave of the deceased, carrying a box of dates, chicken and Maftoul. They cry for two hours and then the food is given out to those villagers who come to the grave yard. On the fortieth day, women relatives of the deceased go to the cemetery in the afternoon and remain until the evening, weeping. Towards the evening, the Sheik is called to the home of the deceased to recite scriptures of the Koran. Then those relatives and friends are served a Maftoul meal. This is considered the last official ceremony. The grave yard then is visited on occasions like Ramadan, holy festivals and on the first anniversary of the death.

Another aspect of annual religious festivals in Qibya is the Haj. When a villager, usually an elderly person, decides to make the Haj relatives visit his home daily for a whole week before the date of departure.¹ Frequently a truck or bus is used as means of traveling the distance of 2,800 miles to Mecca. Upon his return, the villager is given the title Hajee, meaning a person who went on a Haj. The Hajee is invited to the various homes for lunch or dinner and tells his hosts about his adventure and gives away gifts. Two weeks later, the Hajee, along with other Hajees in the village, give a festive dinner to which all villagers are invited. The Hajees then distribute small bottles of holy water called the

¹ Usually about 4-6 villagers make the Haj annually.

water of Zamzam--from a well dug by the prophet Abraham--and powder called Hinna which makes the palm of the hand red when it is applied to it.¹ Celebrations may last from one to three weeks.

Villagers further believe that one who dies by fire, drowning in water, while a stranger in another country, in a battle, or by mistake is considered as a martyr. Villagers do not believe in ghosts or spirits.

D. Economic Conditions. The village economic situation depends on sources other than agriculture. Migrant villagers seek jobs, labor and employment in nearby stone quarries, small industries, construction work, and general labor in towns and cities, as well as in other Arab countries.

Because of great loss of land, estimated about four-fifths of the original territory, farming became a secondary occupation for the majority of villagers. Young people leave the village for urban employment following graduation from the local school and high school. The teaching profession, joining the national guard or the army, and civil employment are given preference over farming by the educated village elite. One villager stated that "farming is left for the elderly people; they are weak and physically unable to operate the available land." Consequently, increasing the productivity of available land is retarded because of the shortage of an efficient labor force.

¹ Hinna is also used for the wedding ceremony.

Inhabitants who occupy borderline villages are recognized by the United Nations agencies and the Government of Jordan as economic refugees, i.e., because they still own their homes, they are not considered as refugees and do not qualify for UNRWA's assistance. International organizations as well as formal and informal agencies, have included Qibya in various developmental projects and schemes.

In order to view the role of the rural credit and thrift cooperative in the economic development of this village, it is relevant to treat briefly: 1) agriculture and related problems, 2) sources of income and credit, 3) labor force, 4) business, and 5) present trends in village economy.

1. Agriculture and Related Problems. The available land, 5000 Donums, is not registered by the Land Department, and it is not exploited for maximum productivity. Only one-fifth of this land is cultivable, with three-fifths uncultivable, and the remaining one-fifth is covered with trees such as olives, fruits and evergreen forest. The main produce is wheat, barley and beans. Villagers do not apply modern practices in farming, nor do they use chemical fertilizers. During the past decade many farms were damaged by insects, worms, and various diseases which normally affect production and income. Farming depends largely on rainfall. The main income is derived from olives which are processed to olive oil and

are sold, green or black, to merchants in the village and outside. The number of olive trees in Qibya is estimated to be about 7,500 trees, most of which are ancient.

Major problems confronting agriculture in Qibya are the land tenure system, lack of rainfall, traditional practices, marketing produce, and lack of farm labor. These problems have existed in the village for centuries, and farmers accept the status quo in their outlook. In spite of availability of agriculture extension service and modern farming devices, villagers tend to be satisfied with the way their fathers used to manage the farm business.

As in the case of Aboud, land in Qibya suffers from division into small lots as propagated by inheritance laws of the Islamic religion. Villagers identify their lots by markers such as trees, rocks, paths and other signs. The olive trees are disbursed on the farms to the extent that one farmer may own several olive trees in someone else's farm. This condition creates fights and tension among farmers, especially when it comes to ploughing, trimming, etc.

Due to the fluctuation of grain production, villagers are unable to store grain between the seasons. Few can manage to save seeds for the following season, thus maintaining the same quality of grains without using improved ones.

The village economy suffers from lack of planning. One villager expressed his views when he stated "If one

villager plants a new crop, soon several others imitate him by planting the same crop, and because there does not exist a group spirit, the middleman and merchant exploit the farmers." Planning for agriculture covers only those activities for next week, next month or next season. Villagers tend to listen to elderly villagers rather than seek the advice of the Extension Worker because once an inexperienced Extension Agent gave a farmer advice and his crop was damaged after he followed it. Ever since farmers have avoided the advice of extension agents, thus remaining unchanged in their farming operations.

2. Sources of Income and Credit. The main sources of income include the following: a) income from the sale of grains, olives and olive oil, fruits and beans, b) income from seasonal work in construction, stone quarries and industrial outfits, and c) income received from relatives and sons working in Jordanian cities and in neighboring Arab countries. Other sources of income, for a few villagers, come from renting rooms or houses for school teachers.

Farm income is unstable and fluctuates from one season to another, depending on the rainfall. The majority of villagers have their produce mortgaged to merchants and moneylenders long before the harvest season. The range of net income from agriculture is between JDs 25 and 50 annually per family. The Mukhtars stated that "income from

sources other than agriculture is an important element for villagers; without which inhabitants would suffer from hunger, malnutrition and poverty."

Farmers proceed in their work on farms at the usual routine. During this process, if they discovered that the season indicates signs of drought, they begin to seek employment outside the village. The fear of drought stimulates farmers to economize in their food, grains, and to minimize expenses. Nearly one-fourth of the village population derives their income mainly from off-farm employment. One of the Mukhtars stated that "You cannot find a single farmer who is not indebted, maybe except for grocery-shop owners, ever since the Arab-Israeli conflict in 1948."

Prior to the Arab-Israeli conflict, villagers used to work in British Government projects, construction works, orchards, and used to trade in livestock.¹ Income during the period of the Mandate Government, as compared with present income, was considered as more regular and higher. The fact must be considered that since Qibya peasants are prohibited from farming their land included in the Israeli territory by the Law of Armistice Agreement, the sharp decrease in income is expected for a traditionally agrarian population. The Mukhtars' comments were "Nearly all savings

¹ This case is similar to that of the village of Aboud, where villagers also worked for the British Mandate Government or traded in livestock.

acquired by villagers during the Mandate period from work and livestock trade were exhausted a couple of years following the conflict." Villagers were forced to exchange women's gold coins and heads of livestock for cash in order to keep living.

Expenditure of villagers exceeds their income due to increase in purchase of food items such as flour, sugar, and vegetables. Cultural and traditional practices inherent in the village value system contribute to excesses in expenditure compared with current incomes. In other words, villagers' spending habits on dowery, generosity and festivals are not affected by the limited capital acquired.

Several farmers stated that travel accommodations and food while working outside the village leave them with little surplus of funds. Although hardships are experienced in labor adventures outside the village, benefits seem to be insignificant from a financial standpoint. The Mukhtars estimated that over 350 farmers work outside the village in addition to farming. Often a villager leases his land to a tenant with whom he shares 50 per cent of the produce, and seeks employment for himself.

The village community benefits from funds coming from migrants to relatives and kinfolds. Such funds are invested in new buildings, trading business, and improving household conditions.

Traditional credit in Qibya follows a pattern similar

to that of Aboud, namely: a) the system of Moqayadah is applied, b) cash loans are given as Kurda and Deinah with the same conditions and procedures as in the village of Aboud.¹ Also, the impact of the Moratorium on land mortgage was similar, in the sense that moneylenders used other forms of security than land.

The Rural Credit and Thrift cooperative established in the village in 1957 is the only modern institution of credit which provides seasonal loans to villagers who are members.

As a frontline village, Qibya's inhabitants received a long term loan from the Development Board in 1954 for agricultural development projects.² Loans given prior to 1959 were not properly supervised and, after this year, new regulations modified the policy of extending loans to individual villagers. The experience has proved that, given any amount of loans, villagers tend to disburse the funds on items inherent in the value system of the local community instead of investment in long range economic projects. Fatalism plays an important role in villagers' lives. Future plans are dependent on the will of Allah, and, since one does not know what Allah had designed for

¹ See pp. 156-158.

² Loans given by the Development Board were transferred to the Agricultural Credit Corporation in 1961 and the latter is responsible for collecting payments on loans given to villagers by the Board. Such loans were given to farmers who applied for such loans with little investigation on the areas in which villagers intended to use them.

man's future, planning for the years ahead offends Allah's will. In spite of the fact that income from agriculture fluctuates in proportion to rainfall, villagers in Qibya have done nothing to overcome this problem because if Allah is pleased with the actions of men, rain will be abundant; otherwise the curse of Allah is fatal.

As for savings, villagers follow traditional patterns. Gold, silver coins are used as jewelry and ornaments for women, as well as for brides. Because of changes in the currency from Turkish, in the early twentieth century, to British during the Mandate Government, and recently to Jordanian currency, villagers relied on gold coins in savings in the past century. Due to poverty and economic setbacks following the Arab-Israeli war, villagers were forced to exchange gold savings to local currency to meet their increasing expenses.

Methods of saving in Qibya range from cash to assets. Cash savings are hidden in a secret place in the house, usually in bed mattresses, under a brick, or in the wall. Assets' savings include the purchase of land, trees and buildings. Members of the credit cooperative make annual savings in the cooperative. Villagers who reside outside the village usually deposit their savings in commercial banks or in assets in the village. Investment in a business is a popular method in Qibya, although it involves risks.

Individual farmers may save a few Jordanian Dinars, whether from farming, business or from their relatives abroad, for a short period of time. One grocery owner has been saving regularly each month in the amount of one half JD. He said "I save from now so that when my son graduates I find some money to send him to college." This is an exceptional case in Qibya. Uncertainty of the future and the fatalistic attitudes that villagers generally have adversely affect regular and planned savings.

3. Labor Force. As stated earlier in this Chapter, the labor force in Qibya has the following four characteristics: a) the young and potential manpower leaves the village for education and employment outside the village,¹ b) farming labor power is decreasing, and present farm operators are relatively old and in a few years cannot undertake farm work, and c) those who are partially farmers and workers, when opportunities for permanent employment outside the village exist, would leave the village and sell their farms, d) women cannot take over farm work because of cultural factors.

4. Business Enterprises. Prior to the Arab-Israeli conflict, villagers were engaged in business and trade in neighboring cities such as Lydd, Ramleh and Jaffa. Following the conflict, business was confined within the

¹ The majority of the labor force, 343 out of 600, works for businesses outside the village. The remainder of the labor force is engaged in the following: recruits in the National Guard--150, working in Saudi Arabia--15, in Brazil--15, and 7 villagers working in Germany.

village and centered around small retail stores. There are 25 shops in Qibya dealing with general items such as grocery and household items, cloth and foods. Several store owners stated that, "The volume of business is less than that before the conflict, sale on credit is unavoidable, and it is not a profitable business because purchasing power is small." In addition to the retail stores, there are two butcher shops, one barber, three tailors, two shoe repair shops. The average annual net profit falls in the range of JDs 10-35 per shop, which is little compared with the efforts invested in the operation of the business. Villagers are forced to patronize the local shops because the village is isolated and it is costly to obtain family groceries from merchants in Ramallah or Jerusalem. Business owners seem to have a relatively more stable income than farmers, except that 80 percent of sales are made on credit to be paid in the following harvest season.

Business transactions take several forms: a) the barter system, b) sale on credit paid at the end of the harvest season whether in cash or in produce, and c) cash sales when funds involved are small amounts.

5. Present Trends in Village Economy. Ever since the early settlers in Qibya, the main economic feature has been agriculture for subsistence. Primitive methods of ploughing, planting and harvesting were in practice. Development in agricultural techniques to

improve the quality and quantity of production has been limited due to ignorance and the influence of traditions. The loss of land adversely affected the village economy and was a factor in shifting from primarily agricultural to business activities and employment outside the village. The fact that the remaining villagers who are engaged in farming at present are old and have no initiative is a condition detrimental to economic progress. The flight of young men in search of civil employment can be an effective means of rebuilding village economy if the migrant laborers invest their earnings in the village. The present conditions of land and farming operations are too inadequate to provide the necessary food and living when compared with the steady population increase.

In order to achieve economic development in Qibya, emphasis on change from purely agrarian to semi-industrial economy should be considered. For example, the three Hamulas in Qibya can pool their resources in a business enterprise such as a tractor, a combine, stone crushing machine, a truck or any other form of enterprise.

The present credit and thrift cooperative provides only seasonal loans for a relatively small number of villagers without supervision or appropriate investment in projects which would increase income. The activities of the local credit and thrift cooperative should be expanded to include marketing, consumer's services, and

extending loans for increasing agricultural and non-agricultural production. Villagers, in order to improve their socio-economic conditions, have to pool their human and material resources and settle the differences existing among the Hamulas. Without this effort, inhabitants of Qibya will continue to face numerous problems and difficulties.

E. The Rural Credit and Thrift Cooperative. The economic condition of Qibya, as a Front-Line village, called for various forms of assistance to develop the community resources and substitute for the incurred loss of land. The situation existing as described in the previous pages of this Chapter, the establishment of a cooperative society should meet some of the dire needs of villagers. The following pages will describe the development of the local credit cooperative, its structure, functions, and give a statement of the problems encountered.

1. Development of the Cooperative. The first attempt to organize a cooperative was in December 1955 when the Field Organizer visited Qibya on his tour to various villages in the area.¹ In his report dated December 11th, 1955, addressed to the Director of the D.C.D., he states

I visited the village and talked with the villagers about cooperation, inquired about their conditions and answered the questions they raised. I found that villagers are indebted to financiers and moneylenders. The

¹ Report of Cooperative Field Organizer, Ministry of Social Affairs and Labor, Amman, Jordan.

The interest charged on loans reached to 300 per cent and the property of debtors is in mortgage. In addition, villagers suffer from the drought season due to lack of rainfall. I strongly recommend the establishment of a credit and thrift cooperative in order to protect villagers from exploiters and the drought.

Following several additional visits, the cooperative was registered on March 20, 1956 with an enrollment of 17 farmers. The three Mukhtars met with the Field Organizer and decided to have the membership increased. Each Mukhtar attracted several members of his kinfolk to join the cooperative, their main motive to receive a larger amount of loan by enlarging the membership. One Mukhtar, reviewing the development of the cooperative, stated "Our village has been receiving grants in cash and in kind from the Government and various agencies. When the Field Organizer told us about the cooperative, we were in favor of receiving money because of the dire needs. We thought that the Government would consider the seasonal loans as grants. But the following season when we were asked to repay the loans, we were disappointed and did not invest the loans in productive projects. Instead we repaid old debts, bought food and clothing."

As in the case of Al-Huson Cooperative, villagers had a misconception about the nature of loans. The thinking was that seasonal loans were Government grants and authorities might overlook the repayment. The Field Organizer encountered several problems both in collecting the loans and in maintaining progressive services. The following Table shows the development of Qibya's cooperative since its establishment.

Table 31

The Cooperative of Qibya

Year	Member Ship	Share Capital	Savings	Loans from Coop.	Total Income from Agriculture	Income from Other Sources	Total loans from other than Coop.
1956	47	24	-	850	6,440	1,590	2,200
1957	51	91	77	1,423	6,740	1,905	2,300
1958	57	141	222	1,700	7,044	3,695	2,353
1959	61	197	313	1,950	8,292	4,063	2,940
1960	75	252	409	2,100	8,282	4,634	2,020
1961	80	304	504	2,700	7,350	5,430	2,400
1962	83	356	670	3,350	9,076	10,260	3,200
1963	87	403	730	3,953	8,100	11,350	3,350

Source: File of the Rural Credit and Thrift Cooperative of Qibya available at the District office of the Ministry of Social Affairs and Labor-Jerusalem.

The Table shows increase in membership, share capital, loans from the local cooperative and income from agriculture and other sources. It is important to point out that income from sources other than agriculture shows a sharp increase, from JDs 1,590 in 1956 to JDs 11,350, due to migration to neighboring cities and countries. Income from agriculture fluctuates, and the increase is not significant. Average income of a member in 1956 was JDs 101 and JDs 133 in 1963, excluding loans.

1. The Sample. The sample consisted of 46 villagers who are members of the local cooperative, which represents 53 percent of the total membership, and 31 non-member villagers. The total sample, 77 villagers, constitutes nearly 10 percent of the male population of Qibya--799 in accordance with the census of 1963. The member respondents represent the three Hamulas proportionately. A member who was closely related to another member, such as a brother or a father, was avoided because economic and social relations are interrelated to the extent that it is difficult to determine one's real income or expenditure. In the village, the father, or the eldest brother, usually takes responsibility for spending and regulating income for the entire family. As for non-member respondents, they were selected at random among those villagers who were present in the village during the interview; closely related villagers were excluded from the interviews.

The first interviewees were the three Mukhtars. They were given the opportunity to become acquainted with the contents of the questionnaire and consequently were able to provide assistance to the writer in contacting villagers for interviewing. The period of interviewing was four months. The interviews were held in shops, in the Madafeh, at the yard of the Mosque, at the Coffee House, and in the fields.

The following pages will analyze the data treating the social and economic position of respondents, the impact of the rural credit and thrift cooperative on the traditional credit systems.

2. Social Conditions of Respondents. The family, religion, education and occupation of respondents will be considered.

a) The Family. The family is an important institution in the village. Large families with a high number of males are elements of status. Birth control is not in existence and is considered against the teachings of Islam. The quantity, not the quality, is emphasized in village families.

All respondents were married, with the exception of two; one of these is widowed and the other is single. Seventy-eight percent of respondents stated that they were married to one wife in their lifetimes. The remaining 22 percent married more than one wife. At present, 92 percent of the respondents stated that they have one wife.

Only four respondents have two wives. Reasons given for marrying more than one wife were death of the former wife, divorce, and separation. Marriages tend to follow a heterogeneous trend in the past two decades. In the past each Hamula objected to marriage with another Hamula in the village. In order that all girls in the family are married, intermarriage with another Hamula in, or sometimes outside, the village was accepted.¹ Sixty-nine percent of respondents' marriages were reported to be within their own Hamula. The rationale given for preference of Hamula marriages is that the blood will not be mixed and inherited land and property will remain strictly in the one Hamula.

The average family size of respondents is 8.5 children. Poverty and undernourishment are apparent in the young children. The standard of the social and physical environment invites diseases and unhealthy conditions.

It is evident that the present quality of members has little influence in planting the cooperative spirit among the young generation. Unless the cooperative invites younger elements in the membership, the future prosperity of the cooperative is doomed.

¹ The traditional practice is that the cousin has priority in marriage. Should the cousin express the desire to marry another girl, i.e., from outside his clan, then the family of the girl is free to have their daughter married to another villager, whether from the same clan or another clan.

As in the case of Aboud and Al-Huson, the membership of the local credit cooperative includes more villagers of old age than younger age groups. The following Table shows the age distribution of respondents.

TABLE 32
AGE DISTRIBUTION OF RESPONDENTS
IN QIBYA

N=77

Range of Age	Members	Non-Members	Total
Below 25 years	-	-	-
From 26-30	2	3	5
From 31-34	3	2	5
From 35-39	3	7	10
From 40-44	6	2	8
From 45-49	6	8	14
From 50-54	7	2	9
From 55-59	4	3	7
From 60 and above	<u>15</u>	<u>4</u>	<u>19</u>
Total	46	31	77

The Table indicates that little over 50 percent of the member-respondents are in the age group of 50 years and over. It is difficult to train members on new principles and philosophies which are alien to traditional attitudes in the daily and annual activities.

b) Religion. All village inhabitants profess the Islamic faith. Traditionally villagers cherished Islam and its teachings. The overt Islamic ethnocentrism prevented Christians from settling in their midst. Unlike the other two villages, Aboud and Al-Huson, where Moslems and Christians have lived together since the early establishment of those villages. As indicated earlier, villagers'

outlook toward the future is connected with Allah's will, and it determines the success or failure of any enterprise. The teachings of the Koran forbid the charge of interest on loans. The Field Organizer had a difficult time convincing members that they are charging themselves a service fee and not an interest. Without such an explanation, it would have been difficult to organize the cooperative. Villagers are gradually becoming aware of the practical aspects of cooperatives' practices.

c) Education. All respondents stated that they finished up to the fourth grade, as their highest level of education. Early education was acquired by attending daily sessions with the Sheik who used to teach the Holy Koran, reading and writing. Several members did not attend such schools and were able to learn by themselves over the years. With their limiting education, it is difficult to anticipate that members are able to keep records and files of the cooperative without outside help.

d) Occupation. The homogeneity of a group with respect to occupation, mutual interests and aims contributes to progress and expansion of cooperative activities. The membership of Qibya's cooperative does not represent a homogeneous group of farmers, because farming has not been a full-time occupation for the majority of the villagers since the Arab-Israeli conflict. The following Table shows the distribution of the major occupation of respondents.

TABLE 33
DISTRIBUTION OF MAJOR OCCUPATIONS
OF RESPONDENTS IN QIBYA

N=77

Occupation	Members	Non-Members	Total
Farmer	30	13	43
Grocer	9	6	15
Laborer-General	1	8	9
Semi-skilled	1	1	2
Butcher	-	1	1
Merchant	3	1	4
Civil Servant	2	1	3
Total	46	31	77

However, when compared with minor occupations, 65 percent of the member-respondents stated that they worked as grocers, general laborers, Mukhtars and merchants, in addition to farming. There is a noticeable shift in occupation from full-time farming to part-time farming. Member-respondents stated that they have children, 17 years of age and over, who are engaged in various types of unskilled labor outside the village. Seventy-one percent stated that their sons, who are of the said age, are working outside the village. The remaining 29 percent stated that they have one or two sons working in farming, grocery business or as hired laborers in the village.

3. Economic Conditions of Respondents. Land ownership, farming and livestock, income, expenditure and credit will be treated in the discussion of the economic conditions of respondents.

a) Land Ownership. The ownership of land in rural Jordan has three characteristics: (1) the fragmentation of land as a result of the Islamic laws of inheritance, (2) the distribution of land owned by a villager within and outside the village territory, and (3) land owned, rented or purchased.¹

Despite the loss of land following the Arab-Israeli conflict, which touched nearly all villagers in varying degrees, the remaining land follows the characteristics mentioned above. The following Table shows the distribution of respondents' land.

TABLE 34
DISTRIBUTION OF LAND OWNED
BY RESPONDENTS IN JIBYA

N=77

Distribution	Members	Non-Members	Total
One piece within village	4	6	10
Scattered within village territory	34	1	35
Scattered outside village territory	2	22	24
One piece outside village	<u>6</u>	<u>2</u>	<u>8</u>
Total	<u>46</u>	<u>31</u>	<u>77</u>

¹ The Government may distribute Government-owned land among villagers who prove to be good farmers. Such farmers own their land after a period of ten years of farming. The Government has given ample size of land during the past decade for the settlement of Bedouins in the eastern part of the Kingdom.

The majority of respondents stated that they owned land, and a few of them stated that they were both owners and tenants.

A farmer may own a good size of land, but is able to cultivate only certain portions of it due to the nature of the land. The following Table shows the distribution of cultivable and non-cultivable land for respondents.

TABLE 35
AREA OF CULTIVATED AND NON-CULTIVATED
LAND IN QIBYA

Respondents	Cultivated (Donums)	Uncultivated (Donums)	Total (Donums)
Members (46)	1,356	328	1,694
Non-Members (31)	534	132	666
Total	1,890	460	2,350

It can be derived from the above Table that the average area of land per member is about 30 Donums, with four fifths classified as cultivable and one fifth as non-cultivable. With drought seasons, the 24 Donums per person can hardly provide food or living for a family of 10-13 persons, considering that traditional farming practices are applied. The inheritance laws of Islam which call for further subdivision of land, tend to decrease productivity of land. A condition which makes it difficult for a villager to live only off the farm income thus exists.

b) Farming and Livestock. Villagers in Qibya look to farming for their subsistence. They plant such items, in accordance with the available cultivated land, such as wheat, barley, vegetables and fruits in sufficient amounts needed for consumption. For several decades the inhabitants of Qibya did not depend on agriculture as the only source of livelihood. In addition to farming, villagers accepted employment and engaged themselves in trading and business during the British Mandate. The traditional methods of operation in farming contributed to the stagnation in village economy.

Table 36 on the following page shows the distribution of areas of land allocated by villagers for various agricultural production. The majority of the respondents raise grains and legumes more than vegetables, olives or fruits.

Although the agriculture Extension Agent visits the village occasionally, technology has not penetrated the traditional way of life and practices. The confidence in the eldest men who farmed all their lives, is rated over the advice of the Extension Agent.

When comparing the average cultivated area of land per member, about 24 Donums, it is obvious that the yield of olives, vegetables, grains and fruits per Donum falls short of meeting a villager's needs as well as the national market. Respondents complained that agricultural

Table 36

Areas of Land and Types of Production for Respondents in Qibya

Range of Land Area (Donums)	Members				Non - Members					
	Olives	Grapes	Grain	Vegetable Fruits	Olives	Grapes	Grains	Vegetable Fruits		
1 - 10	26	17	23	30	3	23	12	21	4	0
11 - 20	2	1	9	1		1		4		
21 - 30	3		4							
31 - 40	1	2				1				
41 - 50	6		2			1				
61 - 70										
71 - 80			1							
81 - 90			2			1	1			
91 & more						1	1			
No Answer	14	28	3	15	43	6	16	3	27	31
T O T A L	46	46	46	46	46	31	31	31	31	31

seasons fluctuate in accordance with rainfall, and with the limited areas of cultivable land, it is difficult to make a living from agriculture.

Villagers' interest in livestock is non-existent. Only nine members stated that they owned sheep, four of whom owned three head, four owned twenty heads each, and one owned twelve heads. The majority of members stated that they had chickens in small numbers for the purpose of securing a few eggs each day and to have a chicken meal when a guest or a migrant relative is in the village.

c) Income and Expenditure. As indicated earlier, villagers' income is derived from agriculture and other sources such as business, off-seasonal work and from sons or relatives working outside the village. Villagers do not keep records of income or expenditure, regardless of the source, except, perhaps the value of gold coins or jewelry kept by the wives. Among the reasons for not keeping records were illiteracy, and the fact that they did not have to pay income tax.

Table 37 indicates respondents' income from agriculture and other sources in the periods before and after 1957. The following observations can be derived from the Table:

(1) At the high range of income, i.e. from JDs 150 and above, respondents' income from other sources than agriculture is more than income from agriculture.

Table 32

Sources of Income of Respondents, in Qibya

N - 77

Range of Income	Before 1957				After 1957			
	Members		Non Members		Members		Non Members	
	From Agric.	other	Agric.	other	Agric.	other	Agric.	other
Nothing	1				1			
1-49	14		13	4	11	1	10	3
50-99	9	5	7	15	10	7	10	12
100-149	5	12	1	2	6	10	1	6
150-199	6	5	2	12	6	8	3	1
200-249	2	5		1	1	1		
250-299	3	4	1	1	4	6		4
300 & Over	3	4		2	4	5	2	3
No Response	3	11	7	4	3	8	5	2
T O T A L	46	46	31	31	46	46	31	31

(2) at the low range of income, i.e. from JDs 1-149, respondents' income from agriculture is reported to be more than income from other sources.

(3) income of non-members tends to be higher than that of the members, especially at the high range of income.

(4) there is no significant difference in respondents' income before and after 1957, regardless of the source.

Agricultural income comes from the sale of olives and olive oil, grains, and fruits. Merchants and middlemen exploit farmers by purchasing their produce, taking the produce in return for old debts, at a low price. Frequently, a farmer is forced to sell the produce to the local merchant or middleman, who in turn hauls it to the city markets for a higher price.

As for income from other than agriculture, respondents reported the following sources: (1) sons working outside the village or country, (2) from manual work in construction and general labor, (3) from grocery or small business owned or in partnership with another merchant, and (4) from charitable societies which extend financial assistance to the inhabitants of front-line villages.

It is difficult to arrive at an accurate picture of farmers' expenditure because of traditional practices involved, e.g., the barter system and the settlement of loans

Table 38

Respondents' Expenditures in Qibya Before
and After 1957

N - 79

B E F O R E 1957												A F T E R 1957												
Range	Agric:		Livest.		House		L. Wage		Trns.	Oth.	Agric.		Livest.		House		L. W.		Trns.	Oth.				
JDs	N	M	N	M	N	M	N	M	N	N	N	M	N	M	N	M	N	M	N	N				
From To																								
1 -- 10	15	16	11	11	--	--	7	8	29	24	6	2	10	11	14	16	--	--	11	9	12	17	6	1
11 - 20	16	2	3	7	--	--	10	4	7	3	5	4	13	10	4	7	--	--	5	7	20	10	6	4
21 - 50	3	6	11	5	--	--	6	5	7	2	5	4	12	4	4	1	--	--	12	6	7	2	7	3
51 - 75	-	1	-	1	2	4	1	1	1	-	2	2	-	2	-	-	-	1	3	-	1	1	5	4
76 - 100	2	-	-	-	9	6	1	1	-	1	3	3	2	-	-	-	1	2	-	1	-	4	6	
101 - 150	-	-	-	-	6	4	-	-	-	-	2	-	-	-	-	-	21	3	1	-	1	-	1	2
151 - 200	-	-	-	-	9	10	-	-	-	-	1	1	-	-	-	-	16	8	-	-	1	-	1	3
200 & Over	-	-	-	-	5	6	-	-	-	-	3	2	-	-	-	-	7	15	-	-	-	-	6	2
No Resp.	10	6			15	1	6	14	2	3	15	15	9	6	24	9	1	4	24	10	3	3	10	9
Totals	46	33	46	33	46	33	46	33	46	33	46	33	46	33	46	33	46	33	46	33	46	33	46	33

M. Members

NM None Members

in quantities of produce. As in the case of Al-Huson and Aboud the traditional culture demands more expense than actual income.

Influences of modernization trends, such as buses, roads, cars, higher education, communication media such as radio-telephone and post office, contribute to an increase in expenses. When travelling to a nearby city or town, a villager is attracted by unusual items not found in the village and tempted to buy for his children, wife or himself, thus adding to the general expense.

Table 38 on the previous page indicates the following:

(1) the highest records of expenditure for respondents are those related to house expense. The increasing demand for food, clothing, medicine, education, along with the increase of family size, necessitate growing expense after the establishment of the local cooperative,

(2) expense for agriculture, i.e., for seeds and hired labor, has relatively decreased since 1957 for members and non-members due to the absence of interest in improving the land,

(3) travelling expense increased after 1957, because of existing facilities for this purpose, such as roads and buses, on the one hand, and frequent travelling of villagers to towns and cities for labor and business, on the other.

(4) other expenses such as for marriage, special occasions and emergencies have increased since 1957.

In comparing the data related to income and expenditure of respondents, it is evident that on the whole, expenses of respondents exceed their income. It is expected that indebtedness of the villagers will be a continuous problem in Qibya, a problem beyond the control of the local cooperative in its present form to remedy. The cooperative inevitably has to facilitate additional services for its members in order to become an effective device and a tool of economic prosperity of the constituent membership.

d) Traditional and Modern Credit Systems.

Respondents stated that traditional systems of credit such as Kurda, Deinah and Moqayada have been habitual practices ever since the establishment of the village. However, during the last few decades, when Turkish money and later Palestinian and Jordanian money were introduced, villagers began to use currency for credit which gradually decreased the Moqayada--the barter system. At present, few villagers exchange olive oil for wheat or vice versa, because the need for cash is greater. As for Kurda and Deinah, they are common practice in Qibya. Because of the lack of community cohesion and cooperation among the three Hamulas, Kurda has been limited to a few individuals from the same Hamula. One merchant said "In these days one cannot trust even his brother and must have a collateral for every loan regardless of the amount."

The harvest season for olives and wheat is the occasion for credit activities. Creditors exert pressure and persuasion on debtors for repayment of loans and old debts. According to an agreement reached between the creditor and the debtor, the latter may settle his debts either in cash or in quantities of produce as described previously. Most frequently, however, debtors choose to make repayments in quantities of produce, for three reasons: (1) psychologically, a villager prefers to give up a portion of the produce instead of paying cash, (2) it is both costly and troublesome to sell the produce in the city, and (3) fear of exploitation by city merchants.

Several respondents stated that they never borrowed before they joined the cooperative because their fathers were in charge of securing the necessary loans for the family. A young villager, even after marriage, who lives in the same house with his father, shares the produce and received allowances for purchasing personal items. As for those sons who live in their own homes and have families, they generally operate independently from their fathers, whether in farming or in credit.

Some of the problems encountered in traditional credit include the following: (1) the high interest rate, (2) difficulty in finding a source of credit, (3) inability to repay on time due to crop failure and indebtedness, and (4) the harsh treatment of moneylenders and financiers

when collecting debts.

As for patronizing commercial banks for credit, only two respondents stated that they borrowed once in their lives from a bank before the credit cooperative was established in the village.

In traditional savings, villagers did not patronize the commercial banks. During the British Mandate Government, cash surplus was disbursed with in various forms. Some villagers exchanged currency for gold coins, others invested in jewelry kept by the wife, and a few purchased additional pieces of land. The following Table shows the methods of traditional savings in Qibya.

TABLE 39
METHODS OF TRADITIONAL SAVINGS
IN QIBYA

N=77

Method	Members	Non-Members	Total
Purchase of land or livestock	6	3	9
Exchanging for gold and jewelry	11	3	14
Cash in the house	13	11	24
Invest in business e.g. a shop	3	1	4
For marriage--a son or self	3	2	5
No answer, did not save	<u>10</u>	<u>11</u>	<u>21</u>
Total	46	31	77

The exchange of gold and silver jewelry for cash is considered a usual practice. The wife, wearing the gold

coins on her head dress in wedding ceremonies or on special occasions, boasts of the number of coins fixed on the dress. The number of coins is indicative of the social status of the family. Many villagers were forced, in the past decade, to exchange the gold and silver coins for local currency because of economic needs.

The rural credit and thrift cooperative provides a new form of credit and savings. Villagers who elect to join the cooperative can apply for a seasonal loan to the Board of Directors at an interest rate of 7 percent, three of which is given to the cooperative. Savings of members are deducted from the loan when it is given, and any member is free to deposit any amount and has a share in the net surplus and reserves recorded in the cooperative's accounts. Members decide for themselves the amounts of loans to be granted, the interest to be charged and the forms of collateral to be applied, through meetings held by the general membership and the Board of Directors of the Cooperative. Here members operate and own their credit institution. They participate in making decisions on credit and saving policies. In spite of Hamulas' differences and disputes, members have equal rights and privileges in the cooperative enterprise. Such practices are new to villagers and were introduced with the formation of the cooperative.

4. How Cooperative Loans are Spent. As stated in the by-laws, cooperative loans should be invested in

improving land and agriculture of the members. The purpose for which a loan is requested is stated in the application of the member. If a loan is not supervised, members have the tendency to use it in areas other than agriculture and in accordance with the most pressing needs at the time. The following Table shows how members spent their loans received starting the year they joined:

TABLE 40
EXPENDITURE OF CO-OP. LOANS IN QIBYA

N=46

Area of Expenditure	Number
Family expenses such as food, clothing, etc.	20
Settlement of old debts	6
Investment in the shop	10
Purchase or improvement of land	7
Purchase of livestock and poultry	3
Total	<u>46</u>

The Table indicates that about 44 percent of respondents use cooperative loans to meet the family expenses, while 22 percent invest in shops and an equal percentage in purchasing livestock, poultry and improving land or purchasing it. If the loans were supervised, investment of such loans would be more in the improvement of land and its productivity.

a) Evaluation of Cooperative Loans. Members of the cooperative were asked to express their feelings

towards cooperative loans as compared to loans obtained from traditional sources. The following Table shows the range of opinions.

TABLE 41
EVALUATION OF CO-OP. LOANS IN QIBYA

Statement of Opinion	Number
Much better than former traditional methods but invites some problems	8
There are more benefits and advantages to farmers	17
Much better because of the low interest rates	6
It is a better source of credit, and it revives farmers	6
Did not borrow before, so do not know the difference	2
It does not help but increases indebtedness	2
No answer	2
Total	<u>46</u>

It is apparent, from the responses given in Table 41, that members view cooperative loans as an acceptable device for credit because of the benefits and advantages due to the favorable conditions such as low interest rates, simple credit procedures, and economic gains for the entire membership. Compared with the problems encountered in traditional credit, members felt more advantages from cooperative loans over the traditional forms of credit.

The Secretary of Qibya's rural credit and thrift cooperative stated his opinion as follows:

The cooperative helped villagers in ridding themselves from the yoke of moneylenders and financiers, and also provided a source of saving and ownership in the cooperative enterprise. The cooperative is a new thing in our village and it is expected to face many problems during the first few years. One of our problems is that cooperative loans are not enough and do not meet all the needs of members. Members do not say the truth that they are going to spend loans on improving their farm-lots because they are indebted to several sources. Also members are not well informed about our cooperative, a factor which makes some feel that they were adversely affected. Even some members think that cooperative loans are grants from the Government because of the disaster of 1953. I feel that we can overcome the problems if the amounts of loans are increased, proper supervision is applied and an adequate educational campaign is launched.

The two members who expressed negative feelings towards cooperative loans were unable to repay in due time. They spent the loan on petty items such as new clothes, paying the fare for sons who left the village, and they were faced with difficulties in repaying their loans.

The Director of the D.C.D., who visited Qibya twice following the establishment of the local cooperative, has views similar to those of the Secretary. He states "We knew that villagers were in distress, and loans were issued to members in spite of the fact that they did not use it for productive purposes. A villager, when in need of credit, is ready to give false information about his real need and the real purpose for which he requires the loan."

b) Attitudes Towards the Cooperative. The

three Mukhtars played a role in initiating the enrollment of their kinfolks in the cooperative. When member-respondents were asked about the source of information they received about the cooperative, the responses were: 24 percent said the Cooperative Field Organizer, 74 percent referred to the Mukhtars. Individual villagers are influenced in their decisions by kinship ties and loyalty to their Mukhtars.

The effectiveness of the cooperative in replacing traditional methods of credit is measured by actual improvements in the members' economic and social conditions and the acceptance of the new credit device as a credit system for their operations. In a village society in Jordan, the process of accepting a modern institution, as the credit cooperative, is slow and can be achieved only over a period of time. The members were asked the significance of cooperative loans in achieving what they did as compared to the traditional credit. The responses are given in Table 42.

TABLE 42
SIGNIFICANCE OF CO-OP. LOANS

N=46

Response	Number
Without the co-op. loans, I could not have achieved what I did	37
Co-op. Loans helped very much in what I accomplished	5
No response	4
Total	<u>46</u>

Although the reaction was that the credit cooperative contributed to the members' accomplishments, it was found that 80 percent of the members continued to patronize local merchants and friends for Deinah and Kurda. 96 percent of the members stated that they were indebted to various persons and merchants in the village in addition to the cooperative loan. The reasons for indebtedness were: (1) the habit of traditional methods of borrowing still persist, and (2) the amount of cooperative loans was not sufficient for the actual needs.¹ In response to the question "What is the amount of loan that would meet your needs and you would like to receive from the cooperative?" members gave amounts two or three times more than what has been received. The J.C.C.U. is unable to provide members with the desired amounts of loans.

As for the non-members, they gave the following reasons for not considering joining the local cooperative:

- (1) the process of obtaining a loan is complicated,
- (2) a preference to keep away from anything having to do with the Government,
- (3) inability to repay cash installments, and
- (4) they do not understand anything about the cooperative.

¹ Seventy five percent of respondents stated that the amount of cooperative loans was not sufficient to meet their needs, while the remaining 25 percent stated the contrary.

The members, on the other hand, expressed the intention to continue in patronizing the local cooperative for future credit.¹ The reasons for their intentions were the following:

(1) there are many advantages and it fulfills the needs--partially--45 percent of respondents,

(2) because of personal benefit and ownership in the cooperative--35 percent of respondents,

(3) conditions of cooperative loans are more acceptable than those of moneylenders--7 percent of respondents, and

(4) miscellaneous reasons, e.g., better than other sources, to buy a car for a son, and to help in business--13 percent.

The real needs of farmers are often extended beyond mere credit and saving. The expressed needs of cooperative members include: storage of excess production, marketing at reasonable prices, purchasing farming equipment and consumer goods. Members were asked to express their opinion on the question "What are the projects that you would like the cooperative to undertake in the future?" Eighty five percent of members said that they would like to have a modern olive oil press, grain storage facilities and a cooperative consumer store.

¹ Ninety eight percent of the members affirmed that they intend to patronize the cooperative in the future.

In order for the cooperative to succeed in serving its members, plans should be made to meet such expressed needs. In other words, the local cooperative should be geared to perform multi-purpose functions in accordance with the real needs of its membership.

Farmers do not hesitate to favorably recommend the participation of kin-folks in a modern credit institution when they feel the real advantages themselves. On the other hand, farmers may oppose the modern institution and discourage others from participating. When the members were asked if they would encourage their kin-folks to join, 85 percent stated they would. The remaining 15 percent stated that they were indifferent at the time being, and when the cooperative improves its operations they would encourage others in the village to join.

A village community in Jordan operates as an individual unit. Villagers in the past two centuries have lived in isolation from neighboring villages. More recently, the construction of roads and the existence of transport means, has allowed villagers to exchange visits with those in surrounding villages on occasions like marriage, death, or feasts. This feeling of isolation was expressed by member-respondents who did not encourage the idea of forming a federated cooperative with the nearby villagers. The reasons were: (1) the feeling that they would not get along with outsiders, (2) the feeling of distrust of outsiders, and (3) the fear of misunderstanding

and conflict with others.

Cooperative knowledge and experience are factors in the success of the cooperative enterprise. Members who become articulate in management of the business are able to utilize adequately the human and natural resources. Although it is a difficult task to teach and train old, illiterate farmers new techniques, it has been proven all over the world that ordinary people, if given the right information, can run their own business.

The knowledge of the members about cooperative affairs is attained through discussion groups, annual meetings, educational seminars and short courses. The Cooperative Field Organizer is a key person with whom villagers can learn about keeping the books, distributing loans, determining actions and policies of the cooperative. The Secretary of Qibya's Cooperative stated that there is a great need for conducting educational campaigns for the members in order to create a better understanding and support of the membership towards their own cooperative. The members in Qibya's, as well as those of Aboud and Al-Huson, showed limited general knowledge about their cooperative; some did not even know how many members are on the Board of Directors, nor did they know or comprehend some of the technical terms such as net surplus, emergency funds, etc. Who is responsible for education and training? The majority of the members expressed their opinion that "we were told by the Cooperative

Field Organizer that we can receive seasonal loans and save for ten years, then we can buy a tractor or distribute the profits among ourselves." Such information given the cooperative personnel was not followed by new ideas and plans to provide a better understanding of the short and long term objectives of cooperation. Knowledge of members about cooperative affairs was limited to what they heard from the Secretary of their cooperative. Attendance at annual meetings, the records of which do not show full participation of the members, was not fully beneficial. The tendency, often, was that "the Mukhtar represented the group, and whoever attended from one kinship group was considered representing several members of the same clan."

As for the leadership of the cooperative, members as a whole expressed satisfaction with the present members serving on the Board of Directors and did not have any intentions of replacing them because they were "honest, adequately represent the three kinship groups in the village, and are better than others in the village."

c) Cooperative Ideology.¹ As a whole, the members expressed positive attitudes towards the local cooperative. However, their positive ideology of cooperation stemmed from traditional culture, and to some extent from actual practical experience gained as a result of

¹ See Appendix G for responses to statements on Cooperative ideology for respondents in the villages of Aboud, Al-Huson and Qibya.

joint action through the modern credit cooperative. The following Table shows the responses on selected ideology statements.

TABLE 43
RESPONSES ON IDEOLOGY STATEMENTS

N=46

Statement	Agree	Disagree	N.R.
The coop. helps big farmers more than little farmers	37	6	3
The coop. helps eliminate dependency on and influence of moneylenders	46	-	-
Business is so large and complex that small farmers have no place in national economy	45	1	-
The coop. has no great value to villagers	10	36	-
I believe that finding a job in the city is better than farming	4	42	-
A member in the coop. looks for his personal interest and not the group's	19	27	-
The coop. should become self-supporting and run its own business	46	-	-

The responses given in Table 43 reveal the following:

(1) the members are more confident that the credit cooperative helps big farmers more than small farmers and that being small farm operators they are not sure of their place and role in the national economy. Farmers' feelings

of inadequacy were derived from the fact that small farmers operate their farms for subsistence rather than for business; and because they are not involved in selling, trading, marketing and big scale operations like big farmers,

(2) group solidarity is not clearly defined among the members in the village of Qibya; 41 percent of the members agreed that each member looks for his personal benefit rather than that of the group, and

(3) all respondents agreed that the local credit cooperative should become independent and self-supporting in the future. This belief originated since the establishment of the cooperative when members were told by the Cooperative Field Organizer that the credit cooperative should expand in its operation, within a period of ten years, to serve as a small bank.

d) Summary. The village of Qibya represents a unique social and economic structure. The population is composed of three kinship groups which are represented in the cooperative. The cooperative serves in the village as a media through which harmony among the clans is achieved. The social organization of members provides a new pattern in interrelationships and a leadership based on democratic election.

The village economy has been witnessing a change since the loss of land as a result of the Arab-Israeli conflict. Village inhabitants were forced to change

their occupation from farmers to workers and general laborers. Farming became a secondary occupation for the majority of villagers. The limited economic resources of the village compelled the youthful segment of the population to migrate to nearby cities and countries in search of employment.

The local credit and thrift cooperative has introduced new patterns of credit, saving and financing to replace traditional patterns. We have seen that those villagers who utilized the credit for productive purposes were in a better economic and social position than those who mishandled cooperative loans.

Villagers in Qibya are in dire need for credit such as provided by the Cooperative. Proper guidance, education and training are requisites for the success of this enterprise in the village. With the present accumulated capital, the members can organize for themselves a wide range of agricultural and social services conducive to the improvement of not only their social and economic well being, but for the community at large.

CHAPTER VIII

CONCLUSION AND RECOMMENDATION

A. CONCLUSION

In the preceding pages an attempt has been made to evaluate the impact of rural credit and thrift cooperatives on traditional social and economic structures of rural Jordan. The selection of the three villages, namely Aboud, Al-Huson and Qibya represented the main significant types of Jordanian rural cultures--the West Bank, the East Bank and the Front-Line. It was shown that each type has distinctive sub-culture characteristics in socio-economic behavior and organization.

Jordan is considered as passing into a constructive state of economic and social development--a transitory period. Two thirds of the population are living in rural areas and one third in urban territories. The shift of population from villages to cities and towns in recent years is a characteristic of present Jordanian society. Nomads are gradually being settled in clusters of houses built from bricks and stones as a result of national settlement projects.

Culturally, religion plays an important role in the social organization of rural communities. Conservative

older elements continue to oppose change introduced by the young generation as a result of influence of modernization and westernization. Education at all levels, which has been made attainable for both rural and urban inhabitants, has paved the way for the emerging of a new social class--the middle class. Jordanian society, which was a two-class society during Turkish and British Mandate rule, is now becoming a three class society. Cultural and social values are changing along with the material innovations introduced by modern technology.

As a developing country, Jordan is attempting to reach economic self-sufficiency and is improving the social conditions of its rapidly growing population. While the economy of Jordan is still dependent on foreign aid, the Government and the people are making an earnest effort to exploit available human and natural resources.

Industrial development demonstrates a wide spread. There are 5,258 industrial enterprises in Jordan, ranging from small carpenter shops to an oil refinery. However, 90 percent of these enterprises employ less than 10 workers, which leaves a considerable number of the labor force in search of jobs. Unemployment is a serious problem, a factor which drives skills and talents of the indigenous population to immigrate to neighboring Arab countries in search of employment and better working conditions.

Agriculture remains the backbone of Jordan's economy.

The area of cultivable land has increased due to irrigation schemes such as the East Ghor Canal project and drilling operations in desert areas. The major problems confronting agriculture are: rainfall, marketing, use of technology, and regulation of credit. Farmers suffer from merchants and middlemen who control the market and monopolize marketing inside and outside Jordan. Technology, utilized by big farmers and landowners, has penetrated villages only on a limited scale. Traditional farming practices exist side by side with modern tractors and combine machines.

According to Government statistics, there are 118,776 farmers in Jordan, and of these 70,607 have holdings of less than 50 Donums. A farmer may need loans five or six times a year to meet his needs as they arise, e.g., in October for ploughing and cereal seeds; in December-January for olive harvesting and storing oil for reasonable prices; in March-May for planting summer crops; and in June for cereal harvest. Also, the farmer is in need of loans at various times for plant protection, insecticides, fungicides, fertilizer, etc.

There are numerous governmental and commercial credit institutions extending loans for agricultural and industrial projects. The Agricultural Credit Corporation, A.C.C., proved to be an effective source of credit designed for nation-wide agricultural development with

reasonable repayment conditions. Commercial banks facilitate credit for big farmers and landowners. The Moratorium, issued by the Government in 1953, protected small farmers against giving up their mortgaged land. Consequently, banks modified their credit policies to the disadvantage of small farmers.

Cooperative credit societies remain as the most favorable source of credit to farmers with limited means and resources. The financial policy of cooperative institutions in Jordan allows farmers to become financially and economically self-supporting. In March 1964, there were 638 cooperatives, of which 238 were rural credit and thrift cooperatives with a total membership of 11,440 farmers throughout the Kingdom. The total owned funds by the members of credit cooperatives amounted to JDs 238,790 out of which JDs 74,304 constituted the share capital, JDs 106,206 the reserve capital and JDs 58,280 the savings. There has been rapid growth during the past decade. In 1952 there were 40 credit cooperatives, with a membership of 1,806, and total owned funds of only JDs 2,957, of which JDs 2,281 constituted the share capital, JDs 647 the reserve capital and JDs 29 the savings.

The cooperative movement in Jordan was revitalized by Government action in 1952 to provide villagers with a source of credit in order to protect them from moneylenders and financiers. In the relatively short time that it has

been in existence, and in spite of its modest size, the movement has demonstrated, first of all, that it can contribute to economic growth by increasing production. Particularly in the agricultural sector, farmers can use cooperatives to finance improved methods, increase non-farm inputs, reduce production costs, and increase the supply of locally produced food. The experience of the artisans' cooperative has revealed their unrealized potential for providing income and regular employment in the blue collar class. The service cooperatives such as housing, transport, higher education, and school saving, have proved to be vital in improving the social conditions of member-families in a considerable portion of Jordan's population.

Secondly, it has been shown that cooperatives in Jordan, as in the case of the credit cooperatives of Aboud, Al-Huson and Qibya, can protect the economically weak from exploitation by the strong. Interest rates can be reduced to a reasonable level. Prices paid for supplies and the prices received for agricultural products can be controlled through cooperative competition at a level that is fair to all concerned. In a situation where there is wide disparity between the resources available to the masses and those available to the relatively small wealthy class, the weak can only protect themselves by pooling their strength in order to achieve trading equality. Cooperatives are the tool by which this pooling

is achieved.¹

The cooperative movement can bring a new sense of dignity and security to rank and file citizens. When they become owners of olive presses, lending agencies, market warehouses, handicraft shops or whatever, they automatically achieve a self confidence and a self esteem at the same time that permits them to stand taller in the community. The social value of cooperative action rivals in importance the economic values mentioned above. Economically cooperative societies have much to offer agricultural producers and the Jordanian consumer and worker in general. Cooperation gives priority to the satisfaction of human wants at cost and seeks to maximize total satisfaction, whereas the profit system functions on the basis of maximum net returns. By establishing alternative sources of supply, cooperatives serve as a check on monopolistic tendencies in industry. Cooperation tends to a more equitable distribution of wealth, returning to the widest number of owners the benefits of business enterprise. As an instrument of self-help and a system for overcoming economic handicaps, cooperation benefits low income groups. Savings returned as patronage refunds go to those with the greatest need to buy, rather than to those with the greatest capital available for investment. Accordingly, cooperative enterprise tends to stabilize the

¹ American Friends service Committee, Report on Co-op. Development in Jordan, unpub., Amman, 1965 p. 4.

economy and indirectly functions as a stimulus to the economic system as a whole.

The rural credit and thrift cooperatives have penetrated the traditional credit structure, but they have not been able to achieve total change. Change, however, in a developing country like Jordan can be acquired only over a considerable period of time, in spite of the widespread use of modern agricultural and industrial practices.

Villagers are being exposed to a new economic system, which calls for systematic organization of human and community resources. With such "modern" experiences, supplemented with adequate training and improved communication processes, farmers become able to organize traditional relationships in such a way that they retain the good of the old and reinforce it with the most suitable of the new.

The definition given by Clifford Geertz of the "credit association" was found adaptable to rural conditions in Jordan. Analysis of effects of the credit institutions on traditional socio-economic structures of the three villages supports the notion of Geertz that "The credit cooperative serves as an intermediate institution to harmonize agrarian economic and social patterns with commercial and modern ones." Villagers, who participate in the cooperative endeavor not only benefit from the services to improve economic operations, but act as a social unit

regardless of kinship affiliation, race or religion, thus decreasing tribal tensions and community conflicts.

This study addressed itself to several hypotheses pertaining to the organization, process and impact of credit cooperatives on traditional social and economic patterns. The field study and data revealed findings pertinent to the hypotheses set forth. While analysis of responses related to the statements of each hypothesis was given a fair treatment in previous Chapters, a brief evaluation will suffice in this conclusion.

The first hypothesis stated "the idea of organizing a thrift and credit cooperative society does not occur spontaneously among the villagers in the first instance. Cooperatives are formed after a good deal of explanation and demonstration coming from sources other than the village". We have seen that villagers were not prone to initiate the organization of a credit institution in their community by themselves. The Cooperative Field Organizer planned several educational meetings to help villagers in making the decision of establishing a cooperative. Often a credit cooperative's registration followed a period of one or two years when the constituent members showed real interest in and need for the cooperative enterprise.¹ A villager in Jordan is not forced to join the cooperative, unlike the villager in the United Arab Republic who has no

¹ See Tables 18 and 23; also see pages 257-258. The findings support the first hypothesis.

choice but to join the cooperative in order to obtain agricultural implements or credit services. It was also found that those who agree to organize a cooperative were a handful of villagers representing the traditional leadership and the more enlightened elite. Villagers who lived in villages close to towns and cities, those who obtained a minimum of high school education, and those who were in their thirties or forties required less time in arriving at a decision to organize a cooperative than those villagers who lived in remote villages, were illiterates, or were in their fifties or sixties.

The second hypothesis stated that "membership in a cooperative society does not cause a strain between the members and the non-members in their traditional interaction". Traditional interaction among villagers in local community social institutions, e.g., the Mosque, Church, Madafeh, Coffee House, marriage, etc. remained unchanged and unaffected following the establishment of the credit cooperative. The membership of the cooperative, which consisted of villagers belonging to different kinship affiliations who aspired to achieve common goals and objectives, formed a new social unit in the traditional social structure. Interaction among members is directly related to the plans and programs initiated by the cooperative which require approval and participation of members. Social relationships were noticed to be strengthened

among the members over the years due to the need of holding emergency and annual meetings. Relationships of members with the non-members in traditional interactions seemed to be unchanged. In one village, Aboud, old conflicts among villagers who joined the cooperative were resolved when the concerned found themselves face to face and working together towards their mutual objectives. In other credit cooperatives in Jordan, members formed a special committee to resolve problems, conflicts and feuds not only among the members but also in the community. The credit cooperative is a harmonizing factor in the village community and contributes to social stability and further strengthening of social relationships.

The third hypothesis stated "membership of a villager in a cooperative society is motivated more by kinship influence than independent initiative and the choice of the villager". In the first instance, when the Cooperative Field Organizer visited the village, he met with the Mukhtar(s) to discuss the idea with them. Then the latter gathered with the members of the respective Hamula members at the Madafeh to relate the idea and evaluate the prospects of the cooperative for the village. If the Mukhtar(s) were in favor of the idea, then members of the kinfolds were motivated to join. Each Mukhtar attempted to enlist as many members as possible to gain prestige and power in the cooperative. When Christians and Moslems live in one village community, as in the case of Aboud and Al-Huson,

leaders of each group attempted to encourage villagers from the same religion to have an equal if not higher percentage of members. Most of the villagers were the imitator type. They followed local leadership in participating in the cooperative enterprise as well as other community projects. This phenomenon is evidenced in the process of any planning of cooperative programs and activities.

The fourth hypothesis stated "the traditional forms of credit and savings in villages where rural thrift and credit cooperatives were established were gradually being transformed by modern forms of credit". The modern institution of credit, as was shown in the cases of the three villages under study, provides the local communities with a new system of seasonal credit. The structure and function of the system require adaptation of participants as well as their understanding and continued patronage. Saving through the cooperative, whether by monthly or annual deposits, was felt by members to be better than securing cash savings in the house, or under bricks and in mattresses. However, while a villager may not deposit the entire amount of surplus cash in the cooperative, he nevertheless develops the habit of saving in the modern institution. As for credit, we have seen that respondents who were members in the cooperative depended less on money-lenders and financiers for loans. The traditional Kurda or Deinah was in existence in spite of the credit cooperative

for two reasons: one, because membership in the cooperative did not include all families in the village, and, two, because the credit only provided seasonal loans and did not loan throughout the year when farmers needed funds for agricultural operations. However, the elements of cooperative credit and saving presented a challenge to the traditional forms of credit in the sense that the interest rate is far less than that charged by moneylenders. The principles which underlie the cooperative operation include: democratic control, equitable distribution of profit, open membership, and neutrality towards affiliation and ideology. Only when the cooperative succeeds in fulfilling the members' needs do villagers become less dependent on traditional credit.

The fifth hypothesis stated "membership of a rural thrift and credit society has a tendency to accept and adopt modern forms of credit more than non-members". Usually when the traditional system provides satisfaction for the community, villagers are reluctant to accept new systems. At the same time, when villagers become dissatisfied with the system, opportunities are greater for a new system, with better conditions, to be accepted and adopted. This was found to be true in the case of the three villages. The resentment at and the abuse of moneylenders were expressed by respondents. This factor made the acceptance of the new system easier.¹ Although the

¹ See Tables 30, 43, and pages 222-225.

general satisfaction of members prevailed, there existed several problems which seemed to detain total adoption of the new credit system. Some of these problems were: a) amounts of loans were not sufficient, b) inability of members to repay seasonal loans on time due to occasional bad agricultural seasons, and c) uses of cooperative loans for non-productive purposes. The study revealed that the tendency to accept the new credit institution existed.

However, total acceptance and adoption of the new credit system can be realized when maximum satisfaction of the constituent members is reached. The non-members expressed willingness to join the local credit cooperative in the future and viewed the cooperative as more helpful than the traditional credit system. The fear of cooperative members of Government employees--a state of mind developed since the Turkish rule, the memory of which still survives--and lack of knowledge and experience also seemed to hinder total adoption of the new institution of credit.

The sixth hypothesis stated "the modern cooperative credit system has a tendency to meet the current 'felt' needs for credit among the villagers". The needs of villagers were so diversified and numerous that it was beyond the capacity of the credit cooperative to meet all of them, in the span of their existence. The pressing needs expressed by villagers were: a) securing a source of credit with reasonable repayment terms, b) protection from exploitation by merchants, financiers and middlemen, and obtaining

credit at the time it is needed. The rural credit and thrift cooperative proved to be a useful tool in serving the economically weak by fair interest rates on loans and by decreasing the pressure of financiers on farmers. Respondents indicated that the credit cooperative has been a better source of credit than traditional methods.¹ The need of a farmer for credit is greater when agricultural produce fails to bring the expected yield. The cooperative can either extend a limited amount of funds as an additional loan or postpone the repayment of the previous loan until the following agricultural season. In the latter case only the interest on the loan is collected. If the repayment period was longer than one year, villagers would have better opportunities to settle their loans on time. To meet repayment, in spite of bad agricultural seasons, villagers tend to seek moneylenders for Deinah in order to repay the cooperative loan. This action destroys the image of the cooperative in the local community. The cooperative should be ready to give sufficient amounts of loans to meet the members' needs and at the time they need the money.

The seventh hypothesis stated " a villager who is a member of a credit cooperative is less likely to seek credit from outside sources other than the credit cooperative in which he is a member". The degree of attachment of the member to the cooperative, the greater solidarity

¹ See pages 156-165, 216-221, 275-273.

and the group spirit that exists among the members, and the quality of services provided in accordance with the actual needs of the members are major factors which contribute to the members' loyalty to their cooperative. The cooperatives, since their establishment, have disturbed the traditional credit practices, and villagers seemed to be willing to accept the modern credit system largely because of heavy indebtedness to moneylenders and merchants. The cooperative was to them a symbol of 'mercy' brought to rid them of the exploitation of individuals in the community with vested personal interests.

The study revealed that the local credit cooperatives have not--so far--met the entire credit needs of the members. Consequently, outside sources other than the cooperative were occasionally patronized in the following cases: a) when the members were under pressure to repay the cooperative loan, b) when they needed cash between the agricultural seasons, and c) in case of unexpected and extraordinary events which caused immediate expense. At the same time, it was discovered that those members who had been receiving loans from the local cooperatives indicated less dependence on outside credit sources. Until the local cooperatives become able to provide the members with the requested credit, then dependence on traditional sources or outside sources other than the cooperative will continue. There was a definite feeling

among respondents that the modern institution of credit is better than traditional methods of credit and saving. The members in the three cooperatives stated that they intend to continue patronizing the local cooperative in the future.¹

The eighth hypothesis stated "the conditions and terms of the modern credit cooperatives tend to provide attraction and encouragement for the villagers and induce them to request credit from the cooperative". In accordance with the cooperative by-laws, loans to members are issued with the following conditions: a) a request attached with collateral documents, b) a low interest rate of 7 percent, c) the loan is payable in one year--or the following agricultural season, d) repayment can be postponed in cases of drought seasons, e) three of the seven percent of the interest to be credited to the cooperative, f) loans insured against death of the member and g) a member receives a share of the patronage refund and an interest return on his savings and on his investment in the share capital. These conditions, in addition to the fact that members feel that they are the owners of the credit institution and by continued patronage they increase their dividends, attract villagers to become members. Commercial Banks in cities were viewed by villagers as "unfriendly, demanding too many documents and

¹ See pages 162-165, 222-225, 273-285. See also Appendix C.

the process of obtaining a loan is rather complicated".

As for traditional credit, villagers expressed the feeling that the moneylender is available at any time and is willing to give the amount of loan requested with simple operations. This factor may be to the disadvantage of the cooperative, but the experience of several farmers in recent years who lost property, trees and holdings to moneylenders for accumulated debts attracted them away from traditional sources of loan. A member of a cooperative is provided with the services of fertilizers, seeds, insecticides and marketing of his produce at reasonable rates.

The credit cooperatives can improve the conditions of credit and services to members in order to prevent them from being attracted either to the local moneylenders or to the nearby commercial credit outfits.

The ninth hypothesis stated "credit and thrift cooperatives tend to contribute to the improvement of the economic and social conditions of villagers who are members in these cooperatives". In the villages of Jordan, the economic position of a farmer, or a kinship group, is a measure of social status. For example, the more wealth, land, assets, etc., owned or acquired, the higher the status in the local community. Also power and influence in the village are associated with the degree of wealth.

The function of the credit and thrift cooperative, as was shown in the three villages under study contributed to the improvement of the economic and social conditions of members. When the members borrowed at a low interest rate, were exempted from taxes and postal stamps, made orders for bulk purchases, sold their produce at a reasonable price, and were represented in the national cooperative institutions, such activities reduced expenditures which ordinarily would have been incurred if each member had to operate individually. The cooperative helped the villagers in decreasing their expenditures.¹

The cooperative also contributed to increase the agricultural and livestock productivity of those members who utilized the loans for productive purposes. When production increases, this leads to an increase of income which in turn influences the purchasing power as well as investment capabilities. The cooperative, further, encouraged members to save regularly and to own a certain number of shares which provided them with a source of funds available when needed. So when the members are in a better economic condition, it is possible for them to educate their sons, purchase new implements and improve the families' social requirements.

The social values inherent in the cooperative structure

¹ See pages 133-140, 203-219, 266-273.

include: a) a sense of dignity and ownership, b) experience in leadership in cooperative activities, which may be interrelated with community leadership, c) experience in democratic practices, d) a feeling of equality with others in the community and e) a sense of belonging to a group formulated on a basis other than that of kinship affiliation.

The tenth hypothesis stated "farmers who become members in a credit and thrift cooperative are relatively more mobile than those farmers who are not members; mobility is inversely related to length of membership and extent of active participation in the affairs of the cooperative". The mobile person as defined by Daniel Lerner "is distinguished by a high capacity for identification with new aspects of his environment; he comes equipped with the mechanisms needed to incorporate new demands upon himself that arise outside of his habitual experience."¹ Villagers are constantly checked by the unwritten laws of the traditional culture in the process of their daily interaction. Before the establishment of the cooperative, as was shown in this study, villagers valued the enterprise in terms of the existing traditional socio-economic systems. Conservative individuals as well as those with vested interests resisted the idea

¹ Daniel Lerner, The Passing Traditional Society, Glencoe, Ill., 1958, p. 49.

at first; then they were forced to follow the Mukhtars and influential community leaders.

The mobile persons present in the village community, agents of change, are few compared with the total population of the village. Such persons are characterized by high education, wealth, an appreciation of urban trends and prestige in and around the village community. As for the members in the local cooperative, nobility may be given three main classifications: a) high, b) medium and c) low.

The highly mobile individuals are few in number, have high education, and occupy positions in cities and towns. They are loosely connected with the village community, because they do not reside in the village. They do not take an active role in the cooperative activities, but they do give their opinion and support when called for and make themselves available in times of crisis.

Cooperative members with a medium mobility are those who acquired a good deal of experience in agriculture and business, had been exposed to urban and western ideas, but due to various circumstances remained in the village. Such individuals may be represented on the Board of Directors of the local cooperatives or they support the cooperative with new ideas and experiences. They constitute the backbone of the cooperative enterprise.

As for low mobility villagers, they are characterized by old age and illiteracy. They tend to uphold village

ideals and deep-rooted traditions in all aspects of community life. They are reluctant to introduce new ideas in their business or farming operations. They joined the cooperative for two reasons: a) the dire need for funds, and b) the influence of Mukhtars and kinfolks. They seldom attend annual meetings of the cooperative except when receiving or repaying loans. Approximately 50 percent of the total membership of credit cooperatives in rural Jordan falls into this classification.

The length of membership and the extent of active participation in the affairs of the cooperative were found to contribute favorably to mobility, along with such factors as the degree of education and exposure to urbanization and westernization.

In this study, the purpose of selecting three villages was to point out differences in the social organization and special cultural features of the three main village types in rural Jordan, namely the East Bank, the West Bank and the Front-Line villages.

The villages situated in the East Bank have a unique social structure in the sense that the traditional culture contains elements and traces of the desert Bedouin culture. Al-Huson village served as an illustration in this study. However, villages which are located near the main cities have inhabitants who tend to adopt aspects of the urban culture with less resistance than the inhabitants of remote

and secluded villages. The latter's culture is a blueprint of the Bedouin heritage.

Although the beliefs, ideologies and attitudes towards Bedouin value systems exist in Eastern Bank villages generally, most of these villages have nevertheless witnessed changes in their physical structure in the past decade. The Government of Jordan has introduced postal services, paved roads, modern school buildings, telephone and bus services to the village communities. Such modern tools invariably have influenced changes in the traditional social and economic structure.¹

The rural credit and thrift cooperatives in the East Bank have encountered many more difficulties than the cooperatives in the West Bank area because of cultural factors. The adoption of the modern system of credit in Eastern Bank village communities is slow. Also, credit in kind seems to be more appropriate than cash credit, in the improvement of the economic conditions of villagers.

¹ Daniel Lerner, in his book The Passing Traditional Society--Modernizing the Middle East, describes the Bedouin society in the following terms: a) the tribe and its parts, sub-tribe and family are the primary objects of personal loyalty, b) for the Bedouin the "civilized world" connotes soft living and femininity. Reading and writing connote politics and the evils of urban government, c) the Bedouin is primarily interested in news such as camels, relatives getting married, locusts ravaging the pastures, etc. He relies on getting this information from friends, brothers, cousins, and neighbors. Further research will help in investigating the changes that took place among the Bedouins who settled in village communities in the past quarter of this century.

Further research on the impact of Bedouin culture on the social and economic conditions of villages in the East Bank area, on the one hand, and the influence of modern technology on the social structure of the local communities on the other, is needed.

As for the West Bank, for the purpose of this study, villages were classified into two main types: a) Front-Line villages situated along the Arab-Israeli Armistice line, and b) the West Bank villages located in the West Bank area away from the Armistice line. Although the village inhabitants in the two types share common cultural elements, they differ nevertheless in several aspects. These differences appeared following the Arab-Israeli conflict in 1948.

Villagers living in the Front-Line villages, such as Qibya, have experienced more changes, both qualitatively and quantitatively, in social and economic organization than those living in communities in the West Bank territory. Some of the major changes, as derived from this study, include the following:

1. Loss of land for villagers in Front-Line areas was a major factor in decreasing economic potentialities. This contributed to decrease of income, a condition which led to heavy indebtedness to local merchants and money-lenders despite several welfare assistance schemes which were organized by Government, Foreign, and local philanthropic organizations.

2. Villagers who derived their livelihood from farming became wage earners by means of work as agricultural laborers, tenant farmers and as general manual laborers in businesses of various types in neighboring cities and towns.

3. The closely knit ties among the kinship groups and Hamulas in the village community loosened due to migration of villagers in search of employment. The long absence of individuals away from their families and relatives disturbed the intimate traditional relationships and face-to-face interaction. As a result, the traditional equilibrium of social organization became weak and diffused.

4. Those villagers who were forced to work in cities for extended periods of time because of the unusual circumstances have been influenced more or less by urban culture. When they return to their families in villages from time to time, they carry with them and transmit some aspects of that culture.

5. The youthful segment of village population migrates from the village for various reasons given earlier in this study, leaving behind old men and women and children. Although the birth rate is relatively high in the villagers' communities, 2.3 percent, the migration of youth presents one of the most serious problems to these villages.

6. Villagers who were used to an economic system

emphasizing the barter system, and non-cash economy became forced to use cash when buying from urban centers, a factor affecting the traditional economic order.

As for West Bank villagers, not on the Front-Line, of which Aboud served as an example in this study, change did not take the same form as in the case of Qibya. The social organization as well as the economic order remained unchanged and closely related to the traditional order. However, the use of money has increased in the past decade because of increasing interest in acquiring implements not available in the village. Traditional Moqayada and Deinah are in existence, along with modern credit transactions propagated by the credit cooperative.

Rural credit and thrift cooperatives have helped the members partially in settling their old debts, decreasing dependency on moneylenders and financiers. Those farmers who owned land and were willing to introduce new ideas to farming were able to achieve partial improvement in their farm lots.

Credit for villagers who are agricultural producers must be linked with other services such as supply and marketing services at a reasonable price. Such functions protect the members from exploitation in addition to providing the consumer with a high quality of goods.

Credit in rural communities should be viewed in terms of the incentive of villagers for seeking credit. As a

rule, borrowing for consumption can be distinguished from borrowing for investment. The latter, being for productive purposes and hence normally, is more easily repaid. Borrowing for consumption presents more problems in repayment. Incentive stems from the promise of reward for the taking of risks and accomplishments. Cooperatives can make a major contribution by the fact that the industry of members is rewarded in a proportionate and equitable manner. Let us take the case of farmers who have been notoriously exploited.. They are generally prepared to work hard and incur risks in the production of crops. But when the fruits of their labor go to others in exorbitant interest rates, high priced supplies, and excessive marketing charges, their incentive is reduced to a low level and they are less receptive to the adoption of techniques which would result in increased production.

The evidence in credit cooperatives established in rural communities reveals that less than 80 percent of the loans given to cooperative members were utilized for consumption purposes rather than for productive objectives. A villager tends to spend on items inherent in the traditional culture which may very well be social rather than economic in nature.

In conclusion, this study aimed at examining the theoretical formulation of Clifford Geertz as applied to rural credit and thrift cooperatives in three Jordanian

villages. As a result of the study the following notions can be added to Geertz's formulation:

1) As an association of users, cooperation presupposes action by its members in order to improve their own lots and those of their fellows. The cooperator works out his own salvation, instead of waiting for it to come through other people's charity.

2) Since it is a self-help organization, cooperation is always of a voluntary nature. Founded on democracy, cooperation gives equal rights to every man from the mere fact of his being a man. Its direct aim being service to both its members and the community as a whole, the co-operative enterprise rules out profit.

3) Since it is seeking to serve its members and community, cooperation aims at winning over and transforming the world's economic and social system.

The attempt made in this research should be viewed as a step towards further research by social scientists in various aspects of cooperation in Jordan, the Arab world and the developing countries at large. Research in this field has been limited to studies dealing with community development and community organization. Study of the role of cooperatives in influencing community social structure and function, in agricultural reform systems and the impact of cooperatives on national and international social and economic development are rich fields of research for social scientists.

B. RECOMMENDATIONS

As a result of the research undertaken in this study and in view of the findings, it was felt useful to present some recommendations which might be of use to those concerned with the Cooperative Movement in Jordan and elsewhere. The role of the researcher usually extends beyond the realm of the immediate findings and the specific conclusions drawn from the data. The purpose of this study then is to go beyond the limited immediate findings and conclusion in order to achieve maximum benefit, not only to social scientists but to a larger audience involved in cooperative action programs.

The following recommendations will include statements related to cooperative action in the fields of management, finance and education-training.

1. Cooperative Management

1. Management is the most important element in cooperative action programs. The tools of management are money, material, machinery and men, which constitute the basis of the cooperative enterprise. The processes of management include: planning, organizing, controlling and motivation.

2. Planning for cooperative programs and services should involve people and personnel at all levels.

A committee representing the major cooperative institutions, i.e., the Department of Cooperative Development, the Jordan Cooperative Central Union, the Jordan Cooperative Audit Union and the Cooperative Institute, should be organized to review and to evaluate action programs and future policies based on the needs and interests of cooperative members in the Kingdom.

3. The organization of human resources to execute the policies of cooperatives requires the utilization of skills and experiences to the maximum extent. The administrative structure needs to be organized in such a manner that it envisages the division of labor as well as defining the role and function of each staff member. Cooperative personnel should be recruited with the background and qualifications needed for cooperative programs.

4. The morale of cooperative staff members is an important element in sound management. Motivational devices such as giving credit to outstanding performance, promotion on the basis of accomplishment, increment and security schemes for staff members and their families should be observed. The cooperative institutions should introduce such devices in order to eliminate the problem of turn-over in personnel.

5. Business communication between the Department of Cooperative Development, the Cooperative Central Union, the Audit Cooperative and the Cooperative Institute, on

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the one hand, and between the said institutions and the District Offices on the other seemed to present numerous administrative problems, thus causing unnecessary delay in meeting the requests from the field. Communications methods allowing minimum waste of time, effort and money should be incorporated in order to facilitate management with up-to-date information on the various aspects of the cooperative movement.

6. There is a need for coordination in policies, plans and programs among the cooperative institutions on the one hand and with national (Governmental as well as private) agricultural and industrial agencies on the other. Coordination is also necessary among the producers, consumers and services cooperatives, a factor which makes all operations more efficient.

7. Staff members complained that the present administrative organization in the cooperative institutions exposes lack of trust and confidence of management in field personnel. This is exemplified in the highly centralized operations. The policy of decentralization can be applied in the cooperative movement, and it would enhance the performance of field personnel.

2. Finance

8. Every effort should be made to ensure that cooperatives are able to finance all the short-term needs of their members. This action will tend to prevent members from patronizing sources other than the cooperative.

9. Loans should be issued only as and when actually required and in kind where practicable. Arrangements can be worked out so that members can borrow in accordance with the ploughing, planting, and harvesting seasons throughout the year.

10. Every effort should be made to grant loans with a minimum delay. For this purpose the limited amount of money for each member and for each cooperative should be fixed each year so that no detailed inquiries are necessary at the time when the usual type of loan is required.

11. Extension of loans should only be granted by the Committee on application by the member before the date due for repayment and with the consent of his sureties. There should be a thorough investigation by the Committee--financial committee or the Board of Directors of the cooperative--about the financial condition of the member borrower.

12. The date to be fixed for repayment must be one which is suitable to the members, in that it should coincide with the time when the crop is ready for sale.

13. The efficiency of cooperative finance will be considerably increased if the operations of thrift and credit cooperatives are linked up with those of marketing societies or, alternatively, if the cooperative providing credit is on a multi-purpose operation. To provide credit alone is frequently not enough. Therefore, a cooperative

should be able to do more, for example, in helping the member market his crop to the best possible advantage. In this way a double benefit can be secured, affording a service to members and guaranteeing a convenient means of security for cooperative loans.

14. Interest on saving and share capital should be paid to the members in cash or in kind since this provides the members with the encouragement to increase their savings in the credit cooperative.

15. The accounting system should be planned so that the cooperative is able to provide members with periodic reports and statements on the financial standing of each member. This would strengthen the confidence of members in the management.

16. Special attention should be given to the accounts of the school savings cooperatives since a large number of students either change their school or graduate. It is especially important to leave the younger generation with a favorable impression about cooperation.

3. Cooperative Education-Training.

17. Cooperative education must accept people at their present level of understanding. Training programs should be based on this principle.

18. The principle of "learning by doing" must be employed. Abstract ideas of cooperation must be quickly converted into actual practice in order for rural persons

to grasp the real meaning of cooperative ideas and organization.

19. Cooperative education and training must be continuous since new members will not be able to understand fully the purpose and meaning of the organization which they have joined, and old members must be brought up to date with information on the various aspects of production, servicing and other activities.

20. Training programs should reach the total membership of the cooperative as much as possible because it is not enough to have training courses for Secretaries and Treasurers in the hope that, in turn, they will educate others in the cooperative.

21. The Cooperative Institute should provide educational material to cooperative Field Organizers so that they can make use of it during their visits to villages to train the members in addition the the main purpose of their visits.

22. Educational devices such as cooperative films, pamphlets and publications should be selected in such a manner that they are related to village life similar to present conditions in Jordan and in accordance with the needs of the members. Also mass media communications such as local newspapers, journals and radio should be utilized more extensively in order to reach a wider range of audience.

23. The use of posters with proverbs, quotations from the Holy Books, and drawings related to aspects of

the local culture is an effective tool to attract attention and to stimulate interest and group action.

24. The funds allocated by cooperatives for educational purposes should be used to the fullest advantage for educating and training the members, whether in Jordan or overseas. Most cooperatives need to be guided on how to make full use of such allocations.

General Recommendations

25. It is necessary to have an estimate of the credit needs of the members in the village cooperatives in order to find out the extent to which cooperatives meet their needs. For this, a regular survey would be necessary. Such a survey would be valuable in enabling the movement to plan, and for governmental authorities in their efforts to assist the movement. But in order to be useful, such a survey must be scientific and aimed at, among other objectives, finding out the extent of rural indebtedness in so far as the farmers-members of cooperatives are concerned.

26. Rural credit and thrift cooperatives have so far been functioning as small banks with a single purpose--providing seasonal loans. It has been proven that, given money, a villager is apt to spend on items which are traditional rather than on items which will improve his farm lot. The trend of rural credit must move from single purpose to multipurpose cooperatives providing consumption,

agricultural and other services. Such services should be linked in one cooperative or in a federation of cooperatives.

23. The cooperative movement, since it contributes to the solution of economic problems of the segment of the population which is economically weak, has to accept Government help, perhaps in the form of loans to cooperatives to facilitate their expansion.

29. Since the establishment of the cooperative movement in Jordan, several cooperatives of various types failed to fulfill the objectives set forth, and consequently were liquidated. The cooperative Officials should plan an inquiry to find out the reasons and factors which contributed to the failure. The inquiry will help in discovering the conditions conducive to failure on the one hand and in providing practical solutions to problems existing in the cooperative movement on the other.

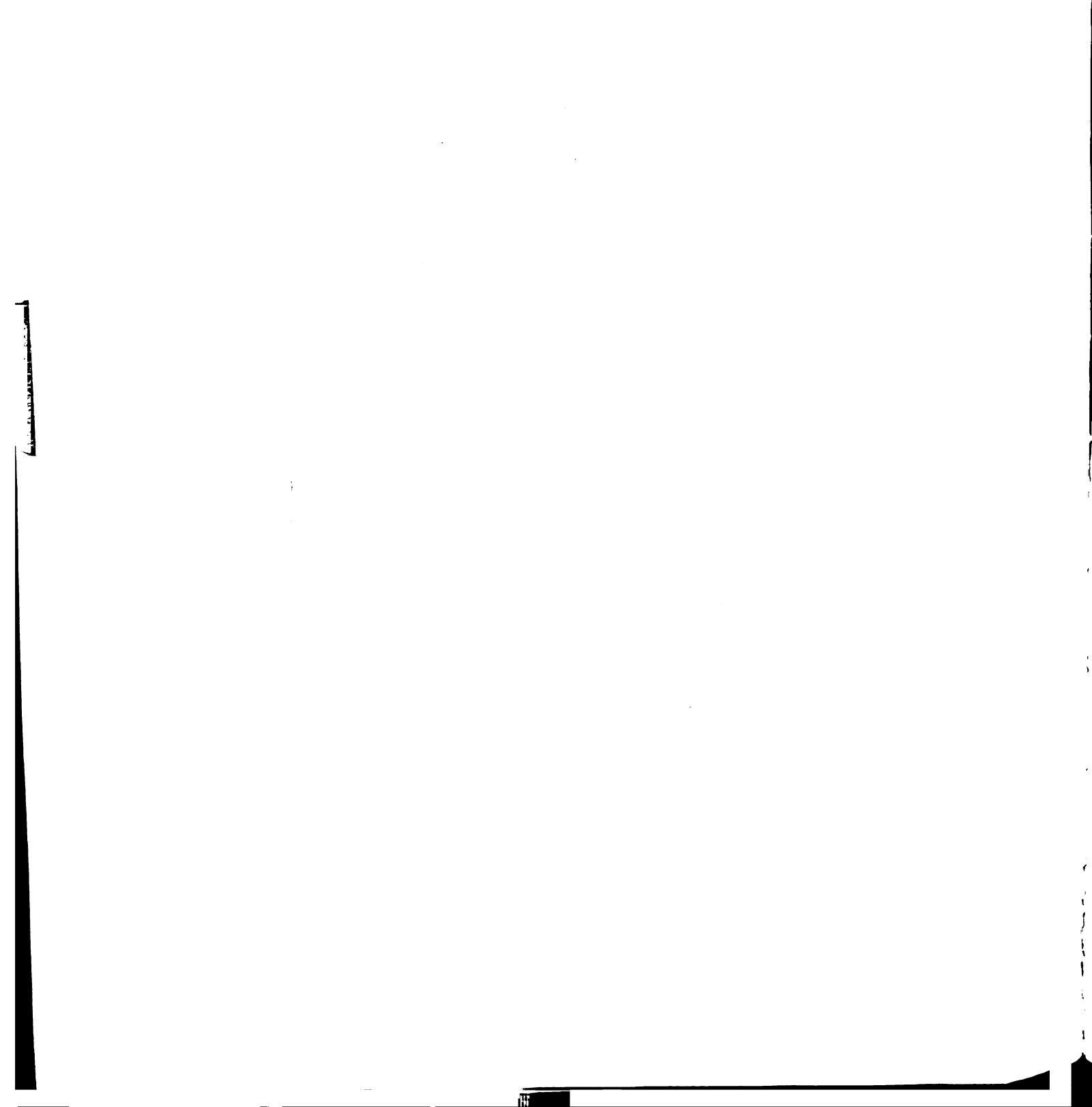
30. Cooperation alone provides the system which will enable poor families to put together very small savings, tiny sums laid by, but by concentrating them they can form an undertaking which will grow and acquire importance.

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APPENDIX A

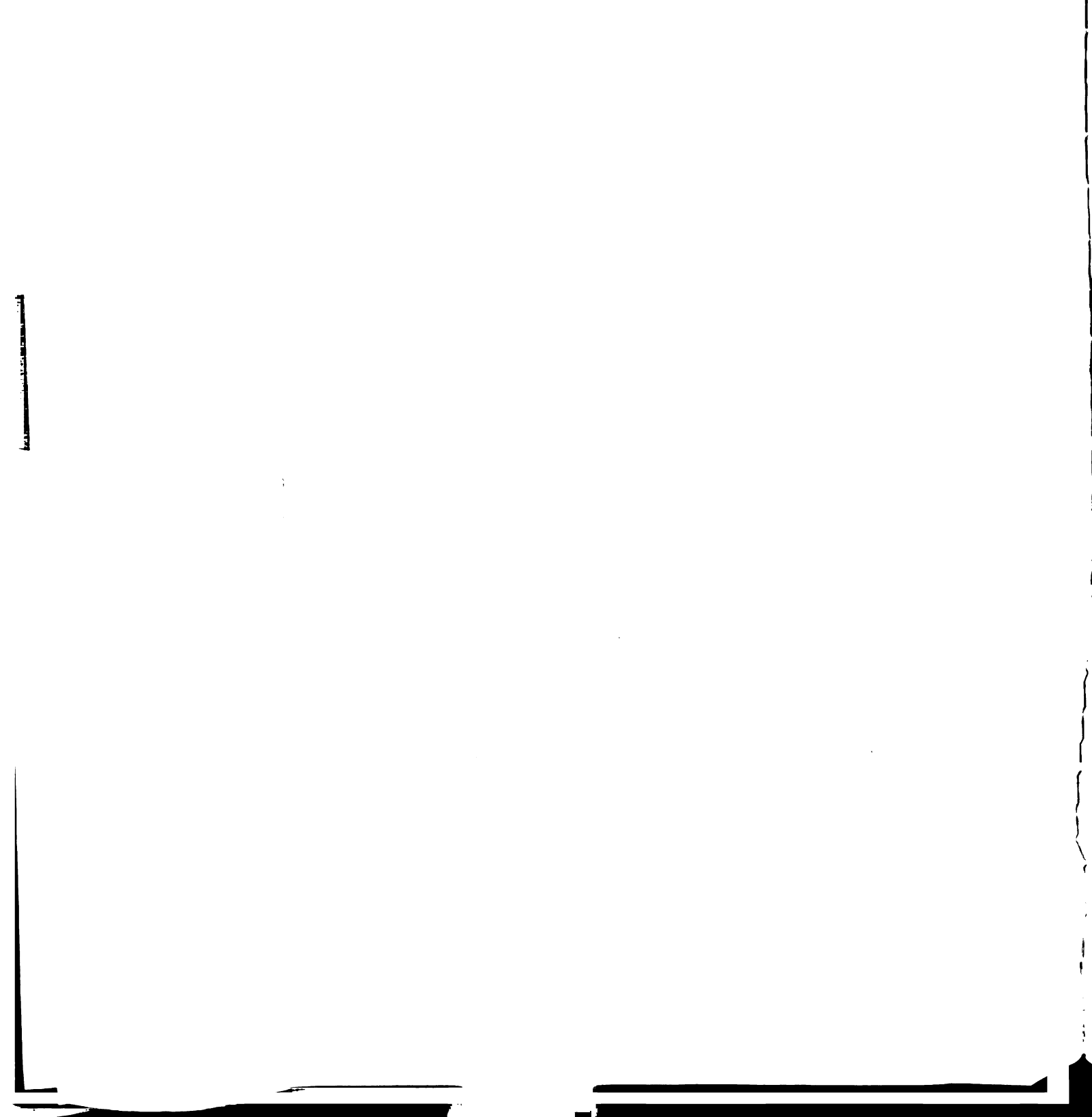
QUESTIONNAIRE FOR MEMBERS

Name of member _____ Name of Cooperative _____
Name of village _____ Sample No. _____ Interview No. _____
Code of Interview _____ Position of Coop. Member _____
Name of Interviewer _____

1. General Information

In this section, we would like to know about you as a member of this cooperative.

1. What is your age _____
2. Name of Hamula _____
3. Marital Status: a) _____ Married b) _____ Single c) _____ Divorced
4. If you are married what is the number of wives you married _____
5. If married what is the number of wives at present _____
6. If married how many wives did you divorce _____ Reasons _____
7. If married, is your wife:
a. _____ From the same Hamula b. _____ Another Hamula
c. _____ From outside Village d. _____ Outside Jordan
8. Religion:
a. _____ Moslem b. _____ Christian c. Other _____
9. What is the size of your family _____
10. What are they doing at the present time:
Sex kind of work place can read can write
11. What is the last year of school completed (Circle one)
1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12.
12. What is your occupation _____ Secondary Occupation _____
13. Do you own land:
a. _____ only owner b. _____ owner and tenant
c. _____ tenant d. _____ other _____
14. Did you inherit the land or buy it?
No. of Donums inherited _____ No. of Donums bought _____
15. If you are owner, is your land:
a. _____ In one lot in the village
b. _____ Scattered in the village boundaries
c. _____ Scattered outside the village proper
d. _____ In one lot outside the village proper
16. What is the number of Donums you owned before joining Co-op.
a. _____ Cultivable
b. _____ Non-cultivable
17. What is the number of Donums you own at present
a. _____ Cultivable
b. _____ Non-cultivable



18. What is your specialization in farming

| Type | No. of Donums | No. of Trees |
|------------|---------------|--------------|
| Olive | _____ | _____ |
| Fruits | _____ | _____ |
| Grains | _____ | _____ |
| Vegetables | _____ | _____ |
| Citrus | _____ | _____ |
| Others | _____ | _____ |

19. How much of this did you add by means of cooperative loan

| | | |
|------------|-------|-------|
| Olive | _____ | _____ |
| Fruits | _____ | _____ |
| Grains | _____ | _____ |
| Vegetables | _____ | _____ |
| Others | _____ | _____ |

20. Do you own livestock and poultry: Yes _____ No _____

21. If yes, how many do you own of the following:

| Type | No. | Type | No. | Type | No. |
|--------------|-------|----------|-------|--------------|-------|
| Milking Cows | _____ | Chickens | _____ | Working Cows | _____ |
| Rabbits | _____ | Sheep | _____ | Ducks | _____ |
| Goats | _____ | Turkeys | _____ | Donkeys | _____ |
| Pigeons | _____ | Mules | _____ | Other | _____ |

22. How many of these were bought by means of co-op. loans

| | | | | | |
|--------------|-------|----------|-------|--------------|-------|
| Milking Cows | _____ | Chickens | _____ | Working Cows | _____ |
| Rabbits | _____ | Sheep | _____ | Ducks | _____ |
| Goats | _____ | Turkeys | _____ | Donkeys | _____ |
| Pigeons | _____ | Mules | _____ | Other | _____ |

23. What was your annual expenditure before joining the Co-op.

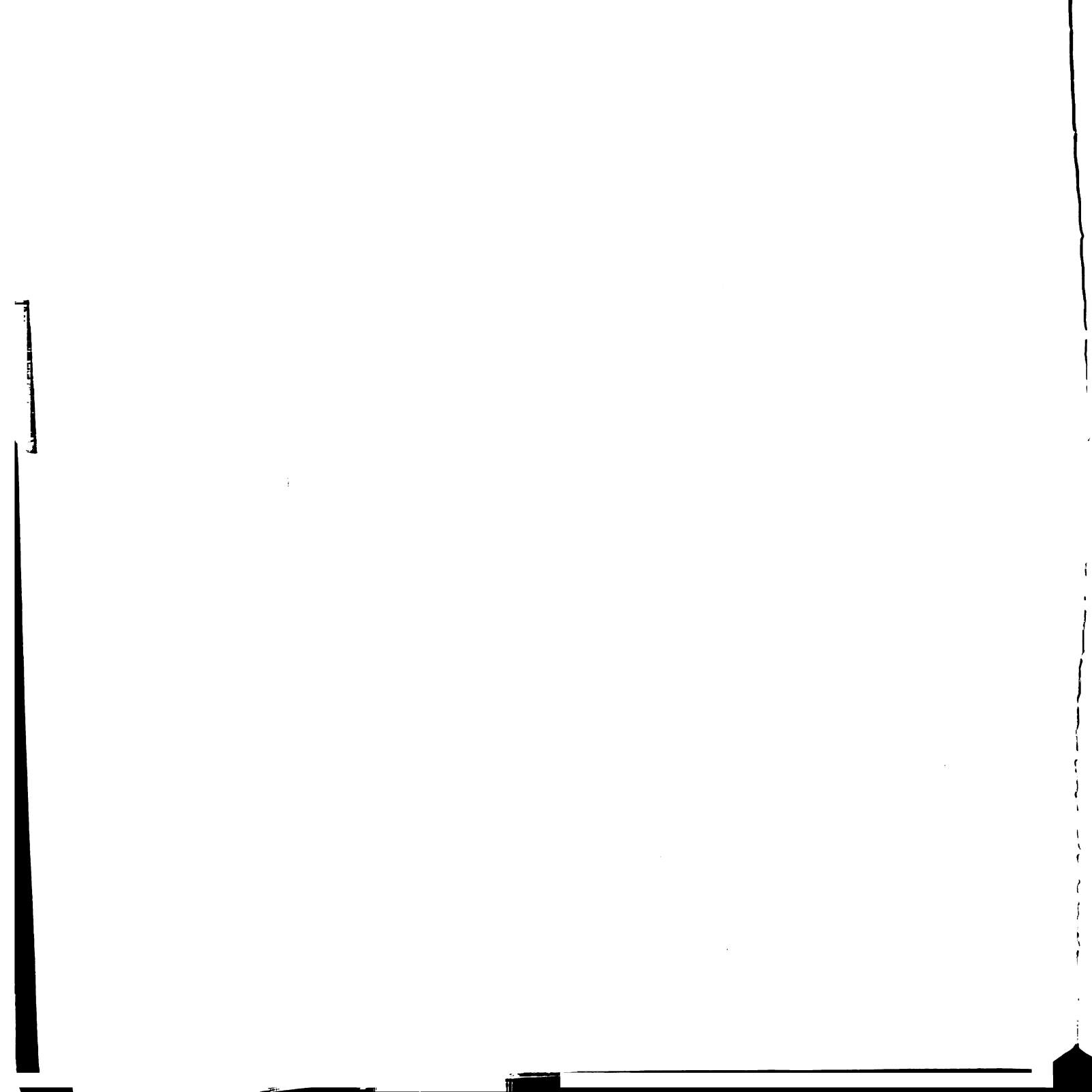
a. _____ Agriculture
 b. _____ Livestock and Poultry
 c. _____ Living Expenses, food, clothing, etc.
 d. _____ Labor wages
 e. _____ Transportation
 f. _____ Other Explain _____

24. What is your annual expenditure after joining the Co-op.

a. _____ Agriculture
 b. _____ Livestock and Poultry
 c. _____ Labor wages
 d. _____ Transportation
 e. _____ Living Expenses, food, clothing, etc.
 f. _____ Other Explain _____

25. In general how do you estimate your income compared with others in the village

a. _____ Better than most of them
 b. _____ Better than some of them
 c. _____ Like most of them
 d. _____ Worse than some of them
 e. _____ Worse than most of them



26. What kind of loan did you receive during the Mandate Government: cash, in-kind, etc., explain _____
27. When you needed a loan, to whom did you used to go. _____
28. Why did you prefer this source _____
29. What was the rate of interest you paid _____
30. What were the difficulties you faced in getting the loan _____
31. What was the period you were given to repay the loan _____
32. What was the kind of security at the time _____
33. Did you ever borrow from a bank or a credit institution
a. Yes _____ b. No _____
Why _____
34. Were you able to save _____
a. Yes _____ b. No _____
35. Where did you keep your savings _____
a. Were you a member in a co-op during British Mandate time a. Yes _____ b. No _____
36. How much were you able to save _____
37. What was your annual income before joining the co-op.
a. _____ From agriculture
b. _____ From other sources, explain _____
38. Did you do the following before joining the cooperative
- | Item | Yes | No |
|------------------------------------|-------|-------|
| Benefit from Agriculture Extension | _____ | _____ |
| Listening to farmers' news | _____ | _____ |
| Reading local paper | _____ | _____ |
| Visiting the city | _____ | _____ |
39. What is your average annual income since you joined the cooperative
a. _____ From agriculture
b. _____ From other sources, explain _____

2. Joining the Cooperative Society

In this section we would like to ask you a few questions about your cooperative

40. Who told you about the cooperative _____
41. When did you join the cooperative _____
42. Did you join from your own free will a. Yes _____ b.No _____
43. If no, who encouraged you to join _____

44. Who, in your opinion, initiated the idea of establishing the cooperative _____

- a. _____ The Ministry of Social Affairs
 b. _____ The Mukhtar and heads of Hamulas
 c. _____ All the people in the village
 d. _____ Yourself
 e. _____ Others, or do not know

45. How many shares do you own in the cooperative _____

46. Did you ever get a loan from the cooperative _____

- a. Yes _____ b. No _____

47. If yes, how many times did you borrow _____
 what is the average loan you received _____

48. What is the rate of interest you paid _____

49. How is the interest distributed _____

50. How do you spend the loans you receive from the co-op _____

51. What are the projects you completed with the loans _____

52. What are the improvements you have made on your land since you joined the cooperative _____

53. Would you say that if it was not for the co-op. loan the above mentioned projects would not have been realized explain _____

54. Since you joined the cooperative did you borrow from the following sources

| Source | Yes | No | Amount |
|--------------------------|-------|-------|--------|
| Gov't Credit Institution | _____ | _____ | _____ |
| Bank | _____ | _____ | _____ |
| Merchant | _____ | _____ | _____ |
| Others, explain | _____ | _____ | _____ |

55. Have you been able to repay the co-op loan on time

- a. Yes _____ b. No _____

Why _____

56. Would you say that the loan you get from the co-op satisfies your needs _____

- a. _____ Sufficient
 b. _____ Somewhat sufficient
 c. _____ Not sufficient

57. What is the annual amount that you consider sufficient to satisfy your needs _____

58. Do you prefer to get a loan from the co-op instead of other sources a. Yes _____ b. No _____

59. Do you borrow from merchants in the village when you repay the cooperative loan a. Yes _____ b. No _____

Why _____

60. What are the problems that you encounter in agriculture _____

61. What are the items of the following you introduced to your farm work

| Item | Yes | No | Item | Yes | No |
|---------------|-------|-------|----------------|-------|-------|
| New Seeds | _____ | _____ | Chemical spray | _____ | _____ |
| Chem. Fertil. | _____ | _____ | Others | _____ | _____ |

62. Would you say that the cooperative influenced you in adopting the above mentioned items
a. Very much _____ b. Somewhat _____ c. No _____
63. When you have a problem pertaining to your farm work, who do you go to for advice.
a. The Mukhtar _____ b. Extension worker _____
c. Relative or friend _____ d. Others _____
64. Would you say that borrowing from the co-op. satisfies your credit needs better than the old way of credit
Explain _____
65. Do you have any debt at the present time
a. Yes _____ b. No _____
66. What did you learn from being a cooperative member

67. What are the activities that the Co-op. should undertake

68. Do you intend to depend on the Co-op. for future credit
a. Yes _____ b. No _____
Why _____
69. Would you encourage your fellow villagers to join the Co-op.
a. Yes _____ b. No _____
Why _____
70. Do you encourage other farmers in nearby villages to establish a cooperative in their village
a. Yes _____ b. No _____
Why _____
71. Do you believe that your cooperative should:
a. _____ Increase its membership
b. _____ Decrease its membership
c. _____ Remain the same
Why _____
72. Would you be in favor of the idea that your cooperative be linked up with other co-ops to form one large co-op.
a. Yes _____ b. No _____
Why _____
73. Did you do the following since joining the co-op.
- | Item | Yes | No |
|-------------------------------------|-------|-------|
| a. Benefit from Extension Agent | _____ | _____ |
| b. Listening to Co-op Radio Prog. | _____ | _____ |
| c. Reading local newspaper | _____ | _____ |
| d. Attending co-op society meetings | _____ | _____ |
| e. Going to city | _____ | _____ |

3. Cooperative Marketing

74. We would like to know how you market your produce. How do you market the agricultural produce

75. Do you sell your produce for cash or for credit
a. Cash _____ b. Credit _____ c. Other _____
76. Where do you market your produce _____

77. What is the proportion of your agriculture produce
 a. $\frac{1}{2}$ sell in the market _____
 b. $\frac{1}{2}$ keep for own use _____
 c. $\frac{1}{2}$ repay as debts _____

4. Information About the Cooperative Society

78. What are the goals of the cooperative _____
79. What is the number of the Directors on the Board _____
- X 80. How many meetings did you attend in the last five years _____
- X 81. How many times did the General Meeting meet during the
 past year _____
- X 82. What do the members discuss in the general meetings _____
- X 83. What are the financial sources from which your cooperative
 receives its funds _____
84. What are the kinds of loans that the co-op members receive _____
- X 85. How are the Board members elected _____
- X 86. If you had the choice to elect new Board Members, would
 you elect:
 a. _____ The same Board Members b. _____ New Members
 Why _____
- X 87. Would you say that the Board Members represent the kin-
 ship groups in the village
 a. Yes _____ b. No _____
- X 88. Who makes decisions concerning the co-op. affairs
 a. _____ One person, two _____
 Who _____
 b. _____ the General Meeting
 c. _____ the Board Members
- X 89. What is your opinion about the present Board Members _____
90. Is your cooperative a member in the Jordan Cooperative
 Central Union
 a. Yes _____ b. No _____

5. Cooperative Ideology¹

In this section, we would like to know your opinion concerning a few items. Some people agree and some disagree with the following statements. As I read them to you, tell me if you agree or disagree.

¹ The statements on Cooperative Ideology are given in Appendix G.

APPENDIX B

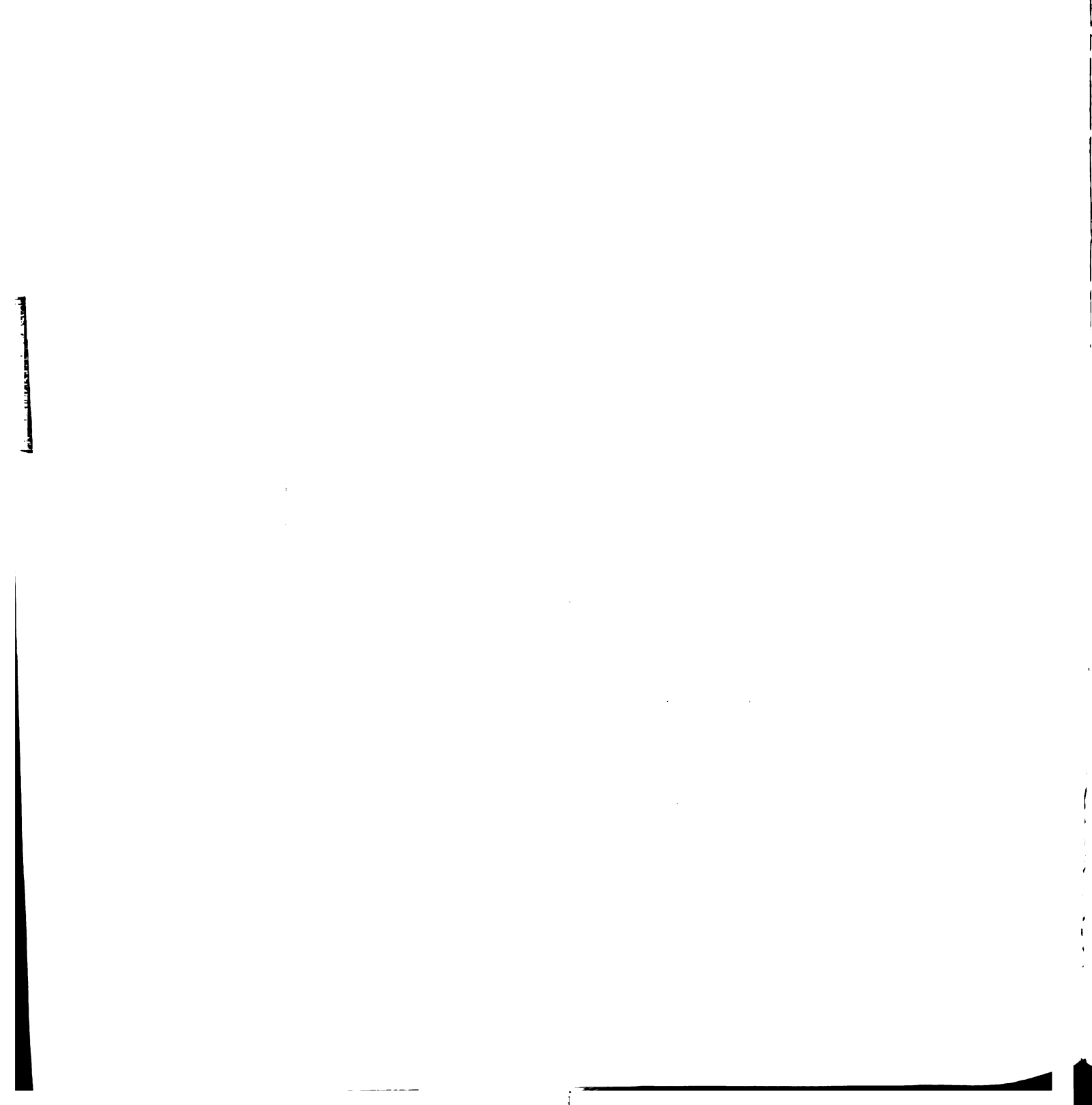
QUESTIONNAIRE FOR NON-MEMBERS

Name of villager _____ Village _____
 Sample Number _____ Interview No. _____
 Date _____ Name of Interviewer _____

General Information

In this section we would like to know about you as a farmer in the village community, the following information

1. What is your age _____ Name of Hamula _____
2. Marital status
 a. Married _____ b. Single _____ c. Widowed _____
3. If married, how many wives do you have at present _____
4. If married, how many wives have you had in your life _____
5. If married, how many wives have you divorced _____
 Reasons for divorce _____
6. If married, is your wife:
 a. _____ From your Hamula b. _____ Another Hamula
 c. _____ Another village d. _____ Out of Jordan
7. What is your religion _____
8. How many in your family including yourself _____
9. What are they doing at present
 Sex Occupation Place Age Reads Writes
10. What is the last year of school you completed, circle one
 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14.
11. What is your main occupation _____
 What is your minor occupation, if any _____
12. Do you own land a. Yes _____ b. No _____
13. If Yes, are you:
 a. _____ Owner only b. _____ Tenure
 c. _____ Owner & Tenure d. _____ Others
14. Did you inherit or purchase the land
 a. _____ Number of Donums inherited
 b. _____ Number of Donums purchased
15. If you are an owner, is your land:
 a. In one piece _____
 b. Scattered in the village _____
 c. Scattered out of village _____
 d. One piece out of village _____



16. What is the number of Donums you own now
 a. _____cultivable
 b. _____uncultivable
17. What is your specialization in agriculture, areas and number of trees

| <u>Type</u> | <u>Donums</u> | <u>Trees</u> |
|---------------------------|---------------|--------------|
| Olive | _____ | _____ |
| Fruits, figs, grape vines | _____ | _____ |
| Grains | _____ | _____ |
| Vegetables | _____ | _____ |
| Citrus | _____ | _____ |
| Others | _____ | _____ |

18. Do you own livestock or poultry a. Yes _____ b. No _____
19. If yes, how many do you own of the following

| <u>Type</u> | <u>No.</u> | <u>Type</u> | <u>No.</u> |
|--------------|------------|-------------|------------|
| Milking cows | _____ | Turkeys | _____ |
| Working cows | _____ | Donkeys | _____ |
| Goats | _____ | Rabbits | _____ |
| Chickens | _____ | Pigeons | _____ |
| Sheep | _____ | Ducks | _____ |
| Mules | _____ | Others | _____ |

20. How much do you estimate your annual expenditure after the Arab-Israeli conflict and before 1957
 a. _____for agriculture
 b. _____for livestock and poultry
 c. _____for household expenses
 d. _____for labor wages
 e. _____for transportation
 f. _____for other expense, explain _____
21. How much do you estimate your annual expenditure after 1957
 a. _____for agriculture
 b. _____for livestock and poultry
 c. _____for household expenses
 d. _____for labor wages
 e. _____for transportation
 f. _____for other expense, explain _____
22. What was the type of credit you received during the British Mandate Government, explain _____
23. When you were in need of credit, to whom did you go _____
24. Why did you prefer this source _____
25. What was the amount of interest charged _____
26. What kinds of difficulty did you encounter when you wanted credit _____
27. What problems did you face in the repayment of the loan _____
28. What was the period you were given to repay the loan _____
29. What was the kind of security required _____

30. Did you receive a loan from the Government or Commercial Bank during the British Mandate Government

a. Yes _____ b. No _____

Why _____

31. Were you able to save a. Yes _____ b. No _____

32. If Yes, how much annually _____

Where did you keep your savings _____

33. What was your annual income before 1957 and after the Arab-Israeli Conflict

a. From agriculture and livestock _____

b. From other sources _____ Explain _____

34. What was your annual income after 1957

a. From agriculture and livestock _____

b. From other sources _____ Explain _____

35. Did you borrow in the past five years from the following sources:

| Source | Yes | No | Amount |
|------------------------|-------|-------|--------|
| Gov't Agency | _____ | _____ | _____ |
| Commercial Bank | _____ | _____ | _____ |
| Financier, Moneylender | _____ | _____ | _____ |
| Other _____ | _____ | _____ | _____ |

36. Are you indebted at the present time a. Yes _____ b. No _____

37. If Yes, to whom and how much

a. Merchant _____ b. Butcher _____

c. Olive Press _____ d. Grocer _____

e. Dev. Board _____ f. Others _____

Total _____

The Cooperative Society

38. Did you ever hear about the Co-op. in the village

a. Yes _____ b. No _____

39. What is the objective of this cooperative

40. Did you ever attempt to become a member

Why _____

42. Were you a member in the local Co-op. a. Yes _____ b. No _____

43. If Yes, how long were you a member _____

44. Why did you withdraw _____

45. If not, would you be interested in joining the cooperative

a. Yes _____ b. No _____ why _____

46. If you were able to get a loan from the co-op. would you accept a. Yes _____ b. No _____

47. Do you encourage your fellow farmers to join the co-op.

a. Yes _____ b. No _____

Why _____

48. Do you seek loans for agriculture or harvest, etc.

a. Yes _____ b. No _____

Why _____

49. If you need a loan where do you go to get it

50. Is this source available when you need the loan
a. Yes_____ b. No_____
51. How do you usually repay the loan _____
52. Do you encounter problems in obtaining a loan, explain _____
53. Do you repay the loan on time _____
a. Always_____ b. Sometimes_____ c. No _____
Why _____

Marketing

54. Where do you sell your produce _____
55. How do you sell your produce _____
56. How do you disburse with produce:
a. % for sale _____
b. % keep for personal use _____
c. % for paying loans _____
57. Are you satisfied with the way you market your produce
a. Yes_____ b. No_____
58. Do you give loans to fellow villagers or others
a. Yes_____ b. No_____
59. If Yes, answer the following
a. To whom do you loan _____
b. What are the conditions _____
c. Type of security _____
d. Rate of interest _____
e. Repayment in cash or in kind, explain _____

Cooperative Ideology

Some villagers agree and some disagree with the following statements. We are interested in your own opinion. When I read the statement would you please tell me if you agree or disagree with it.

- | | <u>Agree</u> | <u>Dis.</u> |
|--|--------------|-------------|
| 1. Every one wants to do a good job. | _____ | _____ |
| 2. Financiers control villagers. | _____ | _____ |
| 3. I participate in many community activities. | _____ | _____ |
| 4. Every farmer must do his best even if it
harms a few people. | _____ | _____ |
| 5. City people, whom we deal with, try to take
advantage of us. | _____ | _____ |
| 6. Work creates equal opportunities and profits. | _____ | _____ |
| 7. To own a big farm is considered a promotion. | _____ | _____ |
| 8. Most of the time a salesman is concerned with
selling me his product and cares less about
me. | _____ | _____ |

| | <u>Agree</u> | <u>Dis.</u> |
|--|--------------|-------------|
| 9. I like to live anywhere outside the village. | _____ | _____ |
| 10. A lazy farmer does not succeed in farming. | _____ | _____ |
| 11. I like to participate in the cooperative. | _____ | _____ |
| 12. Sometimes I feel like selling my farm and settling in the city. | _____ | _____ |
| 13. Membership in the local co-op. is good to all villagers in the community. | _____ | _____ |
| 14. Holy books encourage men to cooperate with his fellow men. | _____ | _____ |
| 15. There is no benefit from the co-op. and I don't like to join it. | _____ | _____ |
| 16. Agricultural Extension Agent is a Gov't employee to help the farmer. | _____ | _____ |
| 17. A farmer must encourage his sons to remain in the village following elementary school. | _____ | _____ |
| 18. I don't like to see a co-op. in the village. | _____ | _____ |
| 19. I don't object if my sons seek work outside the village. | _____ | _____ |

APPENDIX C

ADMINISTRATIVE DIVISIONS OF JORDAN

A. East Bank

| | <u>Liwa</u> | <u>Qada</u> | <u>Nahia</u> |
|----------------------|-------------|---------------------------|-----------------------------|
| 1. AJLOUN | | Irbid
Ajloun
Jarash | Ramtha
Mafrag
Sammarr |
| 2. BALQA | | Salt
Madaba | Shuneh |
| 3. MORAFAZE AL ASIMA | | Amman | Zerqa |
| 4. KARAK | | Karak
Tafila | |
| 5. MAAN | | Maan
Aqaba | Shobak
Wadi Musa |

B. West Bank

| | | |
|--------------|---|---------------------------|
| 6. NABLUS | Nablus
Tulkarim | Salfit, Tubas
Qalqilya |
| 7. JENIN | Jenin | |
| 8. JERUSALEM | Jerusalem
Ramallah
Bethlehem
Jericho | |
| 9. HEBRON | Hebron | |

APPENDIX "D"

Population Increase According to Districts 1952 - 1963

| <u>District</u> | <u>1952</u> | <u>1954</u> | <u>1956</u> | <u>1959</u> | <u>1961</u> | <u>1963</u> |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Amman | 190,499 | 202,313 | 220,032 | 291,971 | 417,390 | 464,944 |
| Balqa | 92,892 | 97,533 | 103,004 | 79,244 | 65,244 | 84,888 |
| Ajloun | 213,877 | 227,607 | 242,524 | 270,446 | 258,452 | 284,069 |
| Karak | 60,556 | 63,088 | 64,460 | 72,030 | 58,858 | 67,616 |
| Ma'an | 29,061 | 29,801 | 30,812 | 32,791 | 33,543 | 30,943 |
| Jerusalem | 301,402 | 316,928 | 333,969 | 365,625 | 345,241 | 371,327 |
| Nablus | 315,236 | 332,696 | 352,849 | 390,396 | 343,616 | 371,889 |
| Hebron | 125,651 | 132,661 | 140,859 | 155,522 | 120,447 | 131,888 |
| T O T A L | 1,329,174 | 1,402,627 | 1,490,509 | 1,658,313 | 1,753,095 | 1,860,493* |

Source: Statistical Yearbooks 1952 - 1963. Dept. of Statistics - Amman - Jordan.

* Total Includes Bedouins (52,929 persons)

APPENDIX D-1

RATES OF DEATHS AND BIRTHS AND NATURAL
INCREASE OF POPULATION
BETWEEN 1952-1961
(per thousand)¹

| Year | Rate of
Birth | Rate of
Death | Rate of
Increase |
|------|------------------|------------------|---------------------|
| 1952 | 34.6 | 11.2 | 23.4 |
| 1953 | 37 | 10.9 | 26.1 |
| 1954 | 37.9 | 10.3 | 27.6 |
| 1955 | 40.1 | 9.1 | 31 |
| 1956 | 37.2 | 8.3 | 28.9 |
| 1957 | 39.3 | 8.4 | 30.9 |
| 1958 | 43.3 | 7.2 | 36.1 |
| 1959 | 38.3 | 7.2 | 31.1 |
| 1960 | 45.5 | 6.9 | 38.6 |
| 1961 | 40.4 | 7 | 33.4 |

¹ Ali Shalash, Statistics on the Population of Jordan,
Baghdad, 1965 p. 8

APPENDIX "E"

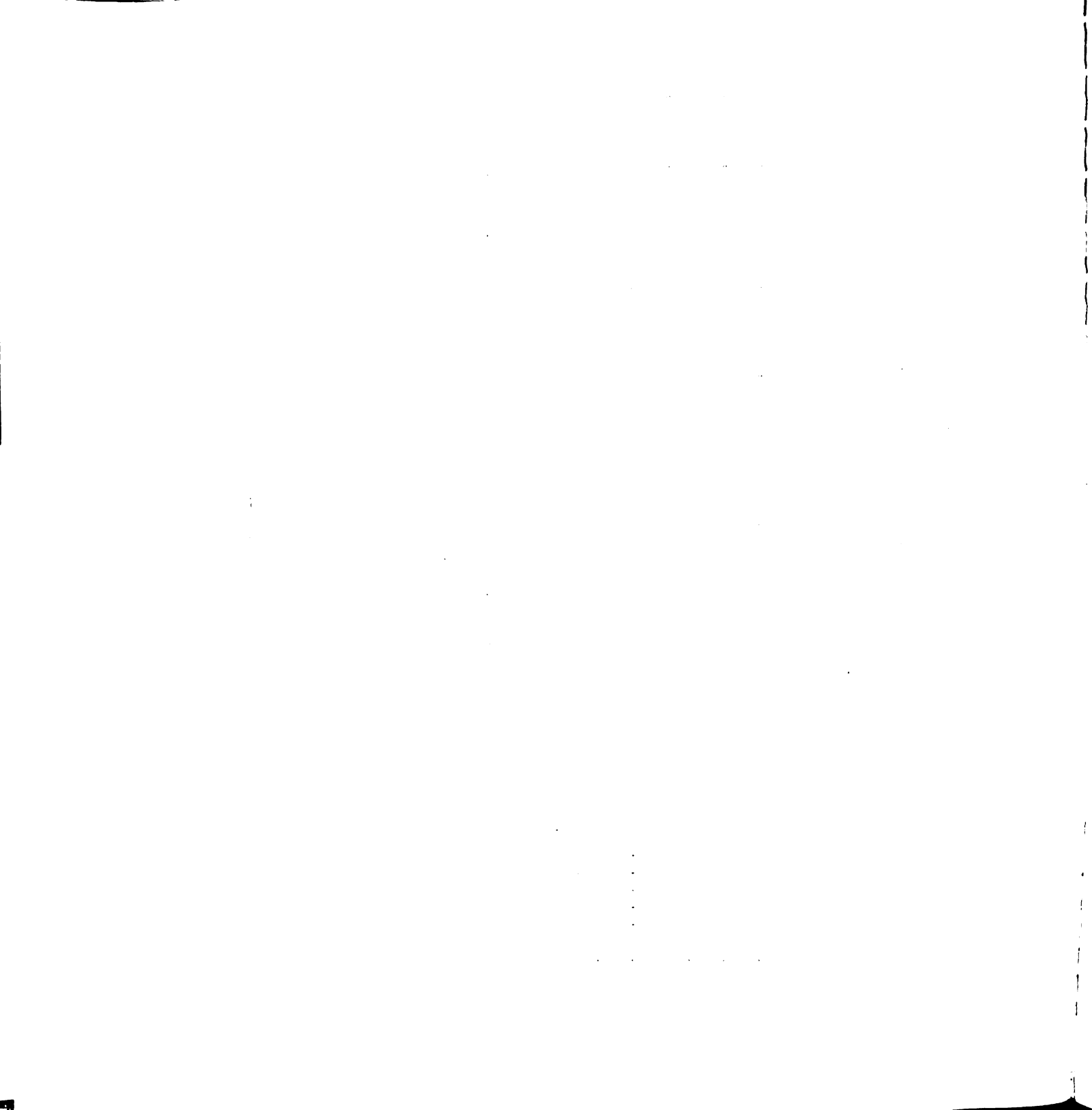
Growth of Educational Services in Jordan between 1957 - 1963

| Type of School | No. of Schools | | Male Teachers | | Female | Teachers | Students
Male & Female | |
|--|----------------|-------|---------------|-------|--------|----------|---------------------------|---------|
| | 57 | 63 | 57 | 63 | 57 | | 57 | 63 |
| 1. Ministry of Education | 871 | 1,308 | 3,508 | 4,689 | 1,355 | 2,305 | 176,098 | 219,539 |
| 2. Public Schools (local) | 227 | 206 | 532 | 488 | 666 | 717 | 27,521 | 31,068 |
| 3. Public Schools
(Foreign Affiliations) | 28 | 51 | 209 | 241 | 178 | 312 | 7,971 | 12,517 |
| 4. U.N.R.W.A. | 187 | 173 | 889 | 948 | 744 | 50,681 | 55,239 | |
| 5. Ministry of Social
Affairs, Ministry of
Interior etc. | 18 | 23 | 106 | 174 | 18 | 53 | 3,222 | 4,387 |

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Source: Annual Statistical Yearbook - Dept. of Statistics - National Press, 1963 pp. 89-90.

UNRWA: United Nations Works and Relief Agency.



APPENDIX F

HOW A COOPERATIVE SOCIETY IS ORGANIZED

The following steps are followed before establishing and registering a cooperative society in Jordan:

1. The Cooperative Field Organizer initiates a visit to the village and plans a future meeting with the Mukhtar(s) and village leaders.

2. The Organizer meets with the Mukhtar(s) and villagers on the designated time and place. He explains to them the idea, benefits, function and structure of the cooperative. He answers questions which might be brought up, and leaves the Mukhtar(s) and villagers to think about the idea. If villagers were interested in the idea, they invite the Organizer to visit the village again in order to discuss the organization of a cooperative in the village.

3. The Organizer may use audio-visual aid material such as showing a film and distributing literature and necessary forms of application for establishing the proposed cooperative.

4. The villagers, if sold on the idea, fill out the necessary forms on three copies. The organizer then makes an official visit to the village for collecting data on the socio-economic conditions of the village and interested members.

5. Those villagers who are interested in signing up are known as "founders". They draft a by-law for the proposed cooperative with the help of the Organizer.

6. When the documents pertaining to the cooperative are completed, the Organizer then sends them to the Director of the Department of Cooperative Development, supported by a statement of recommendation for issuing a certificate of registration.

7. The Director then designates the concerned division in the D.C.D. to evaluate the documents. Should there be need of further information, the Director communicates with the Organizer to this effect.

8. When the documents are in complete form, the Director issues a Registration Certificate and informs the Official Gazette in order to publish the registration.

9. Upon the official publication of registration, the cooperative becomes officially incorporated and can start its business.

10. The members of the Cooperative then hold a general meeting of the "founders" and elect a Board of Directors in the presence of the Organizer, and accept applications of new members.

11. The Organizer assists the Board members in holding meetings and organizing records and files needed in the activities of the cooperative. He continues in maintaining contact with the Board members throughout the year, extending advice and guidance.

APPENDIX G

RESPONSES OF MEMBERS TO STATEMENTS ON COOPERATIVE IDEOLOGY

N=100

| Statement | r e s p o n s e | | |
|--|-----------------|---------------|----------------|
| | Agree | Dis-
agree | Uncer-
tain |
| 1. Every one wants to do a good job. | 99 | 1 | - |
| 2. I feel sometimes the Board of Directors tries to stand in my way. | 20 | 80 | - |
| 3. Without cooperatives moneylenders exploit villagers. | 99 | 1 | - |
| 4. I participate in many activities in the village. | 85 | 14 | 1 |
| 5. Every farmer must do his best even if he harms some people. | 68 | 30 | 2 |
| 6. Cooperatives decrease the number of financiers and moneylenders. | 99 | 1 | - |
| 7. I believe that city people take advantage of us for their benefit. | 95 | 5 | - |
| 8. I have very few real friends in the village. | 90 | 10 | - |
| 9. A farmer could not buy and sell better than through the co-op. | 62 | 38 | - |
| 10. Present economic order is so large and complicated that a small farmer has no place in national economy. | 94 | 6 | - |
| 11. The co-op. helps the farmer in providing adequate services. | 97 | 3 | - |
| 12. The opportunities are available for everyone to move ahead. | 97 | 3 | - |
| 13. To own a big farm is a promotion for me. | 93 | 2 | - |

| | | <u>Agree</u> | <u>Dis.</u> | <u>Unct.</u> |
|-----|---|--------------|-------------|--------------|
| 14. | Often a salesman does not care who I am; his main concern is to sell me products. | 95 | 5 | - |
| 15. | Every farmer must always do his best | 100 | - | - |
| 16. | A co-op. must not interfere in politics. | 95 | 4 | 1 |
| 17. | I like to live any place outside the village. | 21 | 79 | - |
| 18. | Co-ops. help big farmers more than little farmers. | 65 | 22 | 3 |
| 19. | A lazy farmer does not succeed in agriculture. | 100 | - | - |
| 20. | A co-op. must strengthen itself to become self-supporting in the future | 100 | - | - |
| 21. | Whenever a farmer becomes in need of funds, patronizing financiers increases. | 100 | - | - |
| 22. | A co-op. helps in decreasing dependence on financiers. | 100 | - | - |
| 23. | I encourage my children to work even outside the village. | 99 | 1 | - |
| 24. | A co-op. helps farmers in the low interest rate it charges. | 97 | 3 | - |
| 25. | I believe that finding a job in the city is better than working on the farm. | 35 | 65 | - |
| 26. | A member in the co-op. looks after himself only. | 33 | 46 | 1 |
| 27. | I benefit nothing from the co-op. | 30 | 70 | - |
| 28. | Sometimes I feel like selling my farm and living in the city. | 22 | 78 | - |
| 29. | A co-op. is good for all farmers. | 96 | 4 | - |
| 30. | If a farmer fails it is his own fault and he should blame himself. | 95 | 5 | - |

| | <u>Agree</u> | <u>Dis.</u> | <u>Unct.</u> |
|--|--------------|-------------|--------------|
| 31. Every one participates in electing the Board of Directors. | 90 | 10 | - |
| 32. A co-op. is merely a bank to receive and pay loans. | 70 | 30 | - |
| 33. A membership in the Co-op. supports one's status in the village. | 85 | 14 | 1 |
| 34. Holy Books encourage a man to co-operate with his fellow man. | 100 | - | - |
| 35. Agricultural Extension Agent is a Gov't employee to help farmers. | 91 | 9 | - |
| 36. Marketing produce through the local co-op. helps to better sale prices. | 95 | 5 | - |
| 37. A co-op. helps in pooling efforts and resources of members regardless of their race or religion. | 97 | 3 | - |
| 38. Education is necessary for every co-op. member in the nation. | 100 | - | - |
| 39. A co-op. has no great advantages. | 17 | 81 | 2 |
| 40. A farmer must encourage his children to stay and work in the village after completing elementary school. | 43 | 53 | 4 |
| 41. I don't object to my children seeking work outside the village. | 93 | 4 | 3 |

Note: Each statement was read and explained in Arabic for every respondent.

VITA

Ishaq Yacoub Qutub was born in Hebron (Palestine) Jordan in 1935. He received elementary and high school education at Hashemite High School in Ramallah. He completed undergraduate study at Bluffton College, Bluffton Ohio in 1957 with a B.S. in Social Service. His M.A. in Sociology in 1959 from the City College of New York was followed by two years of study, post graduate, at the Graduate Faculty of the New School of Social Research. In 1961 he received a UNESCO fellowship for a Ph. D. program in Sociology at Michigan State University.

In the professional field, he is a member of the American Sociological Association, the International Sociological Association, the Rural Sociological Society, and the Mediterranean Social Science Research Council. He gave research in several conferences held by the latter two societies. He conducted a two-year individual research project in Jordanian villages, as a result of which a Ph. D. thesis was accomplished.

Since 1962, Mr. Qutub has been Director of the Co-operative Institute of Jordan for two years and currently he is on the Faculty of the Department of Sociology and Philosophy at the University of Jordan.

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