

to a halt immediately after occupation. This has severely hindered the rapid growth of poultry and limited its modernization potential. The credit situation further tightened when dealers of poultry supplies curtailed their over-draft facilities to their clients, insisting instead on cash payment.

4. Competition with Israeli produce in local markets. This is undoubtedly the most serious impediment to a prosperous local poultry industry. The crux of the problem is that Israeli producers have the advantages of economies of scale which enable them to raise their productivity much higher than is possible in the modest poultry farms on the West Bank. In addition to the benefits of scale, Israeli poultry producers have been aided by an elaborate scheme of subsidies, which until the late seventies amounted to 20-30 percent of the farm-gate price. This placed West Bank poultry raisers at a major disadvantage and limited their chances of competing successfully with the cheap eggs and broilers available to poultry merchants from Israeli farms. Had they not adapted to such hazards by minimizing their out-of-pocket costs, most West Bank poultry producers would have been forced to close down.

Although direct subsidies to Israeli poultrymen have been officially stopped for the last two years, raisers still receive subsidies in less direct forms, though at a lower scale than they were used to. This is an important reason for the improved stability in the profitability of West Bank poultry farming during the past few years.

The question of competition with Israeli produce has another interesting aspect, namely that West Bank poultry products

are strictly forbidden entry into Israeli markets. When this regulation was put into practice it meant banning the flow of eggs and broilers from various parts of the West Bank through East Jerusalem en route to other districts, because the Israeli authorities consider East Jerusalem as part of Israel.

Consequently, this has reduced free adjustment of market prices in the northern and southern districts of the West Bank and deprived poultry producers of available opportunities.

5. Unsatisfactory auxiliary marketing services. This is most clear in regard to broilers which are generally sold alive to consumers in retail poultry shops. The problem here is twofold. In the first place the quality of processing is poor, the presence of such shops in crowded markets results in important hygienic problems. Furthermore, selling broilers alive makes them a fragile commodity and prevents farmers from stocking their produce in cold storage, should there be a slackening in prices. An earlier study by the present author has revealed deep-rooted reservations against buying ready-to-cook chickens.¹ Most consumers believe that slaughtering of chickens in modern machines doesn't conform to religious rituals, and it may also encourage producers to slaughter and sell what otherwise might have been sick and unmarketable chickens.

As for eggs, the problems of marketing are of a different nature. Most importantly it is apparent that eggs are not held in cool stores during the hot summer months, which often results in rapid deterioration in their quality. This, however, is not normally a serious problem given the rapid turn-over of table eggs in the local market.

1. Hisham Awartani, Marketing of Eggs and Broilers in Jordan, M.Sc. thesis (American University of Beirut - School of Agriculture, 1964).