

- 3.2 Higher wages in non-agricultural sectors leading to poorer profitability in agriculture, especially in rainfed farming. The problem is partly offset through exploitation of family labour with low opportunity cost, but further expansion in farming would have to depend more heavily on hired labour.
- 3.3 Farmers have a low aptitude for accepting and absorbing new technology at rates comparable to those in Israel. This is due mainly to the higher age of farmers and to their modest level of literacy.
- 4.0 Agricultural trade
- 4.1 Unrestricted flow of Israeli produce enjoying all the benefits of scale and a restrictive national authority. This has led to unfair competition with local produce and to excessive dependance on Israel as a major source of food supply.
- 4.2 Selective and increasingly costly entry of produce from the territories into Israeli markets.
- 4.3 Excessive complications in export trade with Jordan, whether in regard to procurement of permits or delays on both sides of the bridges. The cost of transportation is also exorbitant due to the small number of trucks permitted to cross the bridges to Amman, and due to high cost of boxes (since they are not permitted to be returned home - for security reasons).
- 4.4 Low level of such auxiliary marketing services such as cold storage, packing and transportation.
- 4.5 Inadequate processing facilities which are consequently incapable of absorbing a substantial part of surplus produce.
- 4.6 Insufficiently competitive channelling of produce leading to unjustifiably high margins earned by middlemen.
- 5.0 Agricultural extension, research, and education

- 5.1 Sharply declining effectiveness of extension staff due to disinterest of the Military Administration.
- 5.2 Poor morale of extension staff, precipitated by harsh administrative policies, low salaries and inadequate budget allocations.
- 5.3 Inadequate training opportunities for extension and research staff.
- 5.4 Limited research conducted on problems of arid farming on hilly slopes.
- 5.5 Very low involvement of Arab technicians in expediting research on local problems, this being undertaken solely by Israeli Institutions.
- 5.6 Pronounced failure of agricultural schools in augmenting agricultural development. Furthermore, there is no professional institute or college which is entrusted with the assignment of producing technicians who are qualified enough to undertake farming as a profession.
- 6.0 Cooperative societies
- 6.1 Slow processing of registration procedures and manipulation of registration proceedings for political gain.
- 6.2 Subordination of all financial and administrative decisions relative to cooperatives to centralized supervision and control by the Military Administration.
- 6.3 Inadequate managerial and accounting level of executive staff in most cooperatives, in sharp contrast to competing local and Israeli firms.
- 6.4 Low level of auxiliary services in such areas as auditing, education, and inservice training.
- 7.0 Finance
- 7.1 Abrogation of all forms of institutional credit since the onset