Commission Agents and the New Technology in Agriculture

Commission agents are big merchants who advance credit to small farmers and sharecroppers in the Jordan Valley at the beginning of the season for the purchase of seed stock and other cultivation expenses in return for a "commission" on the net yield of marketed produce. This commission varies from region to region but tends to fluctuate between 5-7 percent of the net value of the yield. In addition, they collect 2-3 percent of the value for municipal taxes and transport. Commission agents usually control sections of the central vegetable market (hisbeh) and have a monopoly over marketing the produce of farmers who are indebted to them.

Quite often the commission agent is himself the absentee landlord, as is the case with several landlords in the Ghor al-Far'a region which we will discuss below -- but this need not be the case.

In the Jordan Valley commission agents perform several important functions: (a) they provide the farmer with advance credit in the form of seed stock, seedlings, chemical fertilizers and insecticides and other cultivation needs; (b) they provide the farmers with cash loans, including consumption loans, when his money supply at the end of the summer season is low, and he has no savings to start the new season; (c) they supply the farmer with the standard (18 kgs) boxes which are needed to transport and market the produce; and, finally, (d) they act as an intermediary between the farmer and the retail merchant in the <u>hisbeh</u> by auctioneering the produce to the highest bidder.

Since the commission agent acquires 7 percent of the net marketed price, he has an interest in getting the best price for the farmer. Unlike the absentee landlord (in case he is a separate person) agreements between the commission agent and the farmer are recorded in detail stipulating the duties and responsibilities of each person. However, despite the "services"