

C - Agricultural cooperatives

The West Bank has a fairly long history of cooperatives. Several cooperatives were established in the thirties and forties, and by 1948 there were more than 42 registered cooperative societies in what came to be known as the West Bank.¹ The majority of these cooperatives were engaged mainly in providing seasonal loans to peasant farmers.

In 1952 the Government of Jordan decided to reactivate the cooperative movement as part of its effort to solve its acute economic problems, particularly in rural areas. Due to extreme poverty and scarcity of capital, the emphasis was placed on providing seasonal loans to needy farmers, mostly through rural credit cooperatives that were modelled after the German Raiffeissen credit societies.² In 1959 the Government established the Jordan Central Cooperative Union (JCCU) as an apex federation serving all its member cooperatives, mainly providing them with loans through its banking department. In 1963, and through a grant from the Ford Foundation, the Government and the JCCU established the Cooperative Institute as an educational centre of in-service training, serving all cooperative bodies in Jordan.³ In 1964 a third major step was taken, namely, the establishing of the Cooperative Audit Union as the official auditor of all cooperatives. With that the cooperative movement in Jordan was prepared structurally for a vigorous development stage. But unfortunately, all developments came to an end in June 1967.

1. A K Tayeh, The History of the Cooperative Movement in Jordan, (Amman: Cooperative Institute, 1969), p 2.

2. Ibid, pp 1-3.

3. Files of the Cooperative Institute. The researcher joined the said institute through 1966-71.

A review of pre-occupation cooperatives

Despite a fairly long history and active official and international support, the cooperative movement in Jordan achieved only a modest success. This can be ascertained through several yardsticks, most importantly, size of membership and scope of cooperative services. Table (IV-3) presents a statistical review of West Bank cooperatives as they were by the end of 1966.

Table (IV - 3)

A preview of West Bank cooperatives

(as on December 31, 1966)

Type	Number of coops	Number of members	Share capital (JD)	Loans to coops (JD)	Coop loans to members (JD)
Agriculture, total	176	8,951	102,050	333,804	457,283
Credit and thrift	143	6,431	44,244	21,738	342,051
Others	33	2,520	57,806	312,066	115,232
Non-agr, total	62	5,426	125,316	157,139	89,824
Housing	12	630	60,516	87,644	51,492
Consumer	10	1,278	7,203	518	195
Others	40	3,518	57,597	68,977	38,137
Total	238	14,377	227,566	490,943	

Source: M Arrafah et al, The Cooperative Movement in Jordan, (Amman Jordan Cooperative Organization, 1977) p 5.

The data in Table (IV-3) do not reveal an important feature of the West Bank cooperative movement, namely, that the vast majority of agricultural cooperatives in 1966 were inactive and awaiting official liquidation.¹ This includes more than 90 percent of credit cooperatives and a large proportion of other kinds of cooperatives.

1. Tayeh, op cit, p 5.