

Capitalist Investment in Agriculture

One of the main characteristics of European Jewish agriculture during the British period was the investment of capital. The influx of capital from actual settlers, intended settlers (some of whom never settled in Palestine) and other sources was tremendous during this period. Between 1919-1937 about 90-95 million Palestinian Lira (i.e., equivalent to 90-95 million English pounds) generated in Europe were invested in Palestine's Jewish economy. Of this amount, P.L.10-12 million were used for public purposes by institutions and individuals and P.L.80-85 million were invested by private corporations in private enterprises (Himadeh,1937:228). About half of this capital estimated at P.L.44 million was brought during 1919-1933, while the other half was brought in a period of just four years, between 1933-1937 (Himadeh,1937:229).

Furthermore, an enquiry by the Jewish Agency revealed that between 1926 and 1932, 553 Jewish families who immigrated to Palestine brought with them over P.L.2,000,000, an average of P.L. 3,763 per family. Of these families: 346 had about 841 thousand, an average of one to seven thousand Liras per family; 130 with a total of 59 thousand, an average of one thousand per family; and 59 families with a total of P.L. 180,000, or an average of more than seven thousand Liras per family.

This capital was invested as follows: 42 per cent in citrus cultivation; 21.1 per cent in citrus and other economic branches; 17.7 per-cent in building and 5.7 per-cent in commerce. (1)

The investment of large sums of capital in agriculture was particularly evident during the 1930s. For example, between 1932-35, about twenty nine thousand Liras were spent on agricultural