

the fact that a major proportion of the land was cultivated with citrus that “requires heavy capital investments as well as large amounts of working capital.”⁶⁴

Another investigation carried out in 1945 by the committee of the survey of 105 settlements and 108 smallholders’ villages with a total of 17,500 earners found that the average debt per earner was £P 514, excluding citrus growers.⁶⁵ The increase from the figure for the mid-1930s (although that included citrus plantations) points primarily to the continuous increase in capital investments and working capital.

Thus, although the Arab peasant primarily depended on moneylenders for usurious loans, the Jewish farmer obtained long-term credit on easy terms; and while the Arab peasant borrowed money primarily to maintain himself and his family, and cover costs of production until harvest time, the Jewish farmer primarily borrowed money for obtaining land, for capital investments, and for developing the land.

The Arab peasant was thus caught in a vicious circle of debt that ultimately was one of the major factors for loss of his land, or part of, the extent of which is the topic of the next section.

⁶⁴*Ibid.*, 503.

⁶⁵*Survey I*, 368.