

problems arising from their inevitable connections with Jordan (see problem No 2 below).

The afore-described dual affiliation of West Bank cooperatives has precipitated many problems and constraints which are summarized as follows.

1. Very slow and noticeably selective registration of new cooperatives. New applications remain "under consideration" in the Department of Cooperatives and Labour (at the Military Headquarters) for 1-3 years.¹ In the meantime, the Military Government tries to gain much desired leverage in pursuing its policies. Applications presented by "moderate" farmers are approved and openly promoted.² The implicit aim appears to be to cultivate a new cadre of leaders whom Israel would eventually recognize as the legitimate representatives of the Palestinians in the occupied territories, in lieu of the Palestine Liberation Organization.

Another factor which Israeli authorities consider in evaluating new applications is their potential impact on the Israeli economy. Cooperatives which would help producers compete with their Israeli counterparts or enhance the local production base are not welcomed,³ whereas those which either augment Israel's economy or merely raise the standard of living of their members are generally considered.

1. Interview with the Director of Cooperatives in Nablus district, July 5, 1981.
2. In 1981 the Military Administration dismissed the Director of Cooperatives in Hebron district and replaced him with the brother of Mustafa Dodeen, the leader of the "village leagues".
3. For example, poultry farmers and cooperatives are discouraged in various ways, mainly by having to compete with subsidized Israeli produce, whereas a strawberry cooperative in Gaza is strongly supported because it sells all its produce to Israeli firms.

2. Lengthy registration procedures of new cooperatives by the Jordan Cooperative Organization (JCO) in Amman. This step is demanded by the government of Jordan and the Joint Committee as a pre-requisite for providing any assistance to a new cooperative. Obviously, this entails additional complications and loopholes which put the ordinary farmer(s) at a clear disadvantage. Registration in Amman is easier and more accessible to certain types of leaders who, in many cases, are equally favoured by the Israeli authorities.
3. Strict and selective control of finance. The Military Administration has issued repeated instructions forbidding any cooperative (or municipal authority) from receiving funds from any source without procuring its prior approval.¹ This has proved to be the most formidable obstacle in the effort to promote existing cooperatives. Approvals are very slow to come, if at all and the whole process is judged, in the final analysis, by its impact on Israel's own interests. With the increasing dependence of cooperatives and municipal authorities on foreign funds (mostly from the Joint Committee), the Israeli authorities have developed a new and very effective tactic which they can manipulate at will.

In August 1981, for example, the new Begin government decided to exert further pressure on municipal councils and cooperative societies by imposing a total ban on the flow of funds from the Joint Committee. Based on previous experiences, it is likely that this ban will be selectively relaxed in the future.

1. The researcher read several letters in that connection which were received by district cooperative offices from the Officer-in-Charge of Cooperatives at Beit Eil (Military Headquarters).