

direct subsidy on its sale price. If a West Bank hatchery succeeds in providing farmers with good quality chicks at ruling prices and in adequate numbers, then the subsidy might be considered well justified. A detailed feasibility study of this project is being conducted by the Rural Research Centre.

10.2 Provision of subsidized credit facilities.

One important reason why poultry farming has managed to survive during the past 14 years is its minimal use of capital and hired labour. Nothing is wrong with this spontaneous kind of adaptation except that expansion potential in this setting remains exceedingly limited - unless capital is made available at concessional terms. Put bluntly, the problem is not scarcity of capital but reticence to invest it at low returns and high risk. This represents a clear case for distinction between "economic" and "national" viability which was alluded to earlier in Chapter X.

Modern poultry farming is a highly capital-intensive industry. Capital is needed for expanding and modernizing existing farms and for building new units. Capital requirements for construction purposes would be provided by PAAC upon positive recommendations by resident representatives. Owners would be expected to cover from their own resources about one third of the fixed capital outlay. Furthermore, PAAC would not provide them with loans for purchasing chicks and feed. This they would have to arrange with dealers of farm supplies or cooperative societies.

10.3 Improving veterinary services.

Although subdued by more serious problems, disease infections still inflict considerable damage on the West Bank's poultry industry, perhaps more in terms of lower productivity than by direct mortality. Veterinary services, on the other hand, are in decline. A particularly critical problem is the lack of adequate laboratory testing facilities and a subsequent "trial and error" type of treatment.

An important step towards improving and expediting diagnosis techniques would be the construction of well-equipped laboratories in district offices of the veterinary department. It is suggested to establish three such laboratories (Nablus, Ramallah and Hebron) and provide adequate training for their technical staff. The UNDP office could play an important role in tailoring and financing the proposed training program. It might also help finance the installation of necessary laboratories. Otherwise the needed funds should come from a different source, possibly ANERA, since aid from the PAAC might be refused by the Military Administration to which veterinary offices are affiliated.

11. Sheep and goats

Although little can be done to help stop military encroachments on grazing land, a lot should be done in other ways to help raisers of sheep and goats. A fundamental premise in this connection is to extend every possible support for the steadfastness and further expansion of this sector. Because in addition to being notably profitable, sheep raising entails profound social, nutritional and national rewards.