

Summary

Livestock trading in the Jordan Badia plays a pivotal role in linking mobile production and static markets for sheep and goat meat. The limited resource base of many Bedouin producers means heavy reliance on the flexibility traders bring to the production system by providing mobility and transport, capital, fattening services and marketing skills. Traders provide a constant and immediate source of access to the investment tied up in livestock in the region, enabling producers to trade stock at any time from any location. Continued co-operation between local traders and producers, and the competitive nature of trading, is evidence that trading profits are a reasonable reflection of the services provided.

Earnings from trading supports some 15 per cent of households in the Jordan Badia Research and Development Programme Area.¹ Trading is opportunistic, dependent on individual circumstances, and involves a large number of producers who trade during peak periods. It has both direct consequences on the incomes of those involved, as well as indirect influence through stock prices on the livelihoods of producers throughout the region. As part of the marketing process, trading is influenced by supply and demand factors including input supplies, livestock imports, and the Gulf export market.

Uncertainty and fluctuation in the supply of natural grazing and supplementary fodder has a negative impact upon prices and trade volume, as producers are unable to plan and sustain adequate feeding regimes for their animals. As a major feed input, subsidized barley and wheat bran is particularly important to producers, and supply uncertainty is threatening the stability of the livestock industry and all those who rely on it.

International trade is the main determinant of livestock trade in the Badia. Production and prices within the Badia are dependent upon the Gulf market, which draws massive trade through the region from Iraq and Syria. The volume of imports provide a substantial source of income to the local economy, as well as the national economy through tax revenues. It is widely believed that considerable smuggling occurs along side the legal trade, and this must also be seen as an important source of income to the area.

Livestock exports to the Gulf sustains livestock production in the region through the higher prices offered by export traders. However, constraints on official export routes like Umari, including both official and unofficial procedural complications, means many local traders and the producers they deal with, lack direct access to this highly profitable market. Legitimate export from the region is controlled by a small number of traders who inevitably secure much of the profits to be made. Consequently, many small traders and producers resort to illegal trading across the Saudi border as

¹ See Figure 1

their only means of direct access to the market. While impossible to quantify, higher prices at Ruwashid market and local opinion, suggests the legal and illegal trade of livestock to the Gulf is invaluable to the region's livestock industry.

Both legal and illegal cross-border trade in livestock are inseparable issues. The trade as a whole is vital to the Badia economy, and the national economy losses much potential revenue to smuggling activities. However, the direct and indirect income drawn from these activities is of much greater significance to the livelihoods of those individual households reliant upon the livestock industry. Any policy relating to this trade must be considered carefully in light of its value to the Badia community, and continued restricted access to official export channels.