
Abstract

Customers' Criteria for Using Financial Products and Determinants of Customer Retention in Islamic Banks : Evidence from Jordan

Hajime Kamiyama and Haruka Usuki

This paper focuses on customers' use of financial products and customer retention in Islamic banks. We examine customers' criteria by employing data from a questionnaire survey administered via interviews conducted in Jordan in May 2011. Specifically, we clarify customers' criteria for decision-making regarding financial transactions by using multivariate logistic regression analysis.

Our results show that customers of Jordan's Islamic banks place more emphasis on religious motivation when they make decisions to use representative financial instruments in Islamic banking. These include Islamic financial products such as *murābahah*, *muḍārabah*, *mushārahah*, *ijārah*, and *ijārah wa iqtinā'*. In particular, our findings show that religious motivation exerts a relatively strong influence on the decision-making of customers using the *murābahah*. In addition, our results show that customers using the *murābahah* also place more emphasis on the ease of the procedures when they make the decision to use it. These findings imply that the customers of Jordan's Islamic banks not only have religious motivation but also have other motivations when they select Islamic banks.

In addition, a new finding not detected in previous studies shows that customers who continuously use Islamic banks place more emphasis on the bank's reputation for complying with Islamic law (*sharī'ah*) rather than on economic rationality in terms of price when they make a decision to conduct transactions.

Abstract

Construction of Water Supply Systems in Shanxi Province, China, under the Japanese Occupation

Satoshi Tokunaga

In this study, I discuss how the construction of water supply systems was carried out in Japanese-occupied China. I consider Shanxi Province in detail as a case study. The construction of a water supply system in Shanxi was planned by the warlord Yan Xishan, who controlled that area. But his plan was disrupted by the outbreak of the Sino–Japanese War (1937–1945). The puppet government that was established in Beijing during the Sino–Japanese War drew up some city plans for construction of water supply systems in North China. In the case of Shanxi, however, the Imperial Japanese Army undertook this planning. The first step was to investigate the water environment. Hisaharu Koga, who was taking part in this investigation, had a passion for implementing, and he received support from upper-level management because the Imperial Japanese Army was pushing forward with a strategy to force Yan Xishan to surrender. The strategic intent was to make a breakthrough in the ongoing Sino–Japanese War, and secret funds obtained by a low-price policy unique to Shanxi Province supported the construction plan. The water supply system in Shanxi Province was not necessarily intended to benefit citizens, but it filled the role of providing people with safe water and worked for nearly half a century as a result. China has assessed the quality of the works as being fair.

Abstract

Soybean Production and Contract Farming in Brazil: A Case Study in Lucas do Rio Verde

Sayaka Sano

Further vertical integration has been progressing in various agricultural products in Brazil under pressure from increasing global demand for food. The soybean complex, a typical example, has agreements with more soybean producers for contract farming in the main soybean production site in the Midwest of Brazil.

This paper studies a case in Lucas do Rio Verde in Mato Grosso state to analyze the factors driving the increase in contract farming in Brazil's soybean production. For farmers, contract farming can reduce the risk of price volatility of soybeans or agricultural input and can reduce cost of operation or sale. For corporations, it can secure a stable quality and quantity of soybeans by bearing a part of the price risk. In addition, lack of appropriate public support or financial institutions for the agricultural sector in the region can encourage contract farming in the Midwest of Brazil. The conclusion argues the importance of considering the domestic context in each case in newly emerging or developing countries like Brazil because they may be appropriated into the integration since they lack a market or efficient institutions to support them.

Abstract

Regional Structure of the Chilean Fresh Fruit Export Industry from an Institutional Perspective: The Case of the Northern Productive Region of Coquimbo

Sachiyo Murase

In the Chilean fresh fruit export industry, two forms of productive arrangements have coexisted: vertical coordination, which consists of the contractual relationships between fruit growers and export companies, and vertical integration, which involves land ownership by the export companies for their own production. Focusing on the differences in the productive structures observed at the regional/sub-national level, this article seeks to analyze the institutional factors that explain the regional particularity in the case of the Coquimbo Region located in northern Chile, where vertical integration has strongly developed.

The article argues that the initial condition for the expansion of fruit growing in the Coquimbo Region is characterized by the backwardness of its agricultural sector and the predominance of communal land ownership, which was a particular form of adaptation to the unfavorable natural conditions for agriculture posed by this semi-arid region. The uncompetitiveness of the small-scale farming sector created by the Agrarian Reform and subsequent land distribution process during 1960s and 70s as well as the liberalization of the communal land in the 80s were important facilitating institutional factors for land accumulation by the export companies, i.e., the predominance of the vertical integration in the region. Further study is needed to permit comparison with the cases of other regions where different productive structures have been observed.