

'Israel', it is worthwhile to look at the general strategic framework in which a series of economic developments took place. We should also examine the most outstanding of the exceptionally favorable factors which made the economic growth of 'Israel' proceed at a pace unknown in any other society.) 'Israel' is a rapidly changing entity in accordance with the particular circumstances in which it exists. Hence we see the absolute invalidity of preconceived, mystical or rigid concepts in grasping the current reality of 'Israel'; these are often misleading, dragging the holders of such views into the worst consequences.

In accordance with its development, 'Israel' has managed to reformulate its relationship with the imperialist center into that of a partner-instrument, instead of a lackey-instrument. Thus it is no longer possible to talk about an 'Israel' which is a burden; rather 'Israel' has become a strategic asset and a profitable partner for world imperialism. The 1967 war played a special role in developing this formula for the relationship between the Zionist and imperialist projects respectively, whereby the former has acquired a more obvious and specific status within the framework of the latter. The war also brought a fundamental change in the Zionist state's view of itself and its role, which has been accentuated after the 1973 war. This change is noticeable in the statements of some Israeli strategists who have called for a strategic security-political concept involving a great deal of originality at the level of supreme national strategy and security, to enable a quantitatively small and weak state as Israel to be as strong as a great mighty state... This is to be realized not only through available combat potential, but through the whole chain of which military potential is only one link. Hence the call to strengthen the whole chain, because «the chain is never stronger than its weakest link».

The essential thing in such statements is that 'Israel' is no longer a military institution which has a state, but a state which has its military institution. If the latter was the strongest link, then it has become necessary to raise the economic, social, scientific and human links of the chain to the same level. It is this very notion that has governed the economic programs of 'Israel' as well as its relationship with both the Zionist movement and the imperialist center whose economic support has acquired a strategic value no less than that of their military support. This is contrary to the usual relations between the states of the imperialist center and those in the third world. In this strategic scope, all natural, financial, human, economic, marketing resources, etc., have been utilized to serve the plan for 'Israel' being the regional great power. How has this been done? What is the outcome of the past forty years?

In the case of 'Israel' it is impossible to ignore the decisive role of the external factor which has guaranteed the necessary quota of: (1) human resources, especially highly skilled; (2) constant capital influx, leading to a high level of capitalization which would be impossible through internal accumulation; (3) marketing facilities, leading to the semi-integration of 'Israel' into the world imperialist market under extremely favorable conditions, confirming that 'Israel' has been dealt with as if it were part of the imperialist center, not a peripheral state.

No one argues against these facts. Yet the question has not, so far, received the deserved amount of attention. Besides, it continues to create confusion among many of those who are concerned about how 'Israel' has made use of these resources, and how it has invested this aid in the service of its own project

which is linked to and in harmony with the general imperialist project.

1. FINANCIAL RESOURCES

Between 1950 and 1984, 'Israel' was flooded with financial resources estimated at 92,000 million dollars at 1980 prices; more than two-thirds of this was from the USA, followed by Federal Germany and the World Zionist Organization, and finally aid, grants and credits from various imperialist states. In the same period, a sum of 94,000 million dollars, also at 1980 prices, was invested locally. This shows that the influx of money from abroad was not wasted on consumption or non-productive activities, but went towards capital accumulation. This capital investment amounts to one-fourth of the gross national product, which is one of the highest ratios in the world. Thus we reach the important conclusion that increased security burdens have not prevented 'Israel' from building a developed economic base, according a fourth of its national product for the purpose.

Going further into the details of how these huge sums have been used, we discover that 64,000 million dollars, two-thirds of the total, have been invested in fields which are characterized by productivity, mechanization and the like, while the social sector - individual possessions and housing - has not taken more than one-third of capital accumulation. This led to a high degree of capitalization in the various productive sectors.

- In agriculture for example, 18% of the land was irrigated in 1949, rising to 50% by 1984. There were 1300 agricultural machines in 1949, but 29,900 in 1984. The amount of water consumed by each Israeli is 260 liters per day, compared with 60 in the West Bank.
- Electricity production rose from 464 million kilowatts in 1950 to 129,000 million in 1984, more than one-third of this being used in industry.
- In the industrial sector, 15,000 million dollars were invested from 1950 to 1984; 11,000 million dollars of this went for modern technology. The ratio of investment in technology to overall capital investment rose from 13% to 15% in the sixties, and to 21.3% in the eighties. The concentration of investment in technology reached a record high; an estimated average of 50,000 dollars is invested per worker.

2. HUMAN RESOURCES AND SKILLED LABOR

Parallel to the intensified capitalization of the Israeli economy, available labor power has been used extremely efficiently. This applies both to new immigrants, mostly highly skilled, and to the use of science to raise the standards of the local labor force. It has entailed the creation of new fields and new ways to benefit from female labor as much as possible, as well as employing Palestinians to do low-paid, unskilled jobs, which the Israeli laborer refuses to do; the latter tries to be employed in fields requiring skills and expertise.

In the period of 1948 - 1984, there were 1.75 million immigrants; 1.4 million of them settled in 'Israel'. In the years 1974-1984, 25-31% of immigrants of working age had high qualifications. According to available information, some 49-65,000 people with high qualifications arrived in 'Israel' from 1955 to 1984. Out of these, 18-26,000 were engineers, and 10-13,800 were physicians. The years 1972-1984 witnessed the greatest influx of highly qualified immigrants. While the number of immigrants in the years 1972-84 was 35% of all 1955-84 immigrants, they accounted for 70% of all the