

reflect the full importance of the Palestinian labor force, because it is concentrated at a certain stage of production. For example, 89,200 Palestinians from the 1967 occupied territories worked in the Israeli economy in 1985, according to official estimates. This is about 6% of all those employed in the Israeli economy. Moreover, estimates which take into consideration the so-called illegal workers count a total of about 120,000 Palestinians from the occupied territories working in Israel.

Let us stick to the official number - 89,200 workers distributed as follows: 14,000 in agriculture; 15,800 in industry; 42,500 in construction; and 16,800 in services. Then let us move to the percentage of employees they constitute in these sectors. For instance, Palestinians from the 1967 occupied territories constitute about 15% of all those working in agriculture, and 39% of wage laborers in this field. If we add the Palestinians of the 1948 occupied territories, Palestinians would constitute 32% of the agricultural labor force, and 54% of wage laborers.

The number of Palestinian Arab and Jewish workers in the construction sector was 115,000; Jews constitute 38% of this number, while the rest are Palestinian Arabs from the two occupied areas. Workers from the 1967 occupied territories alone constitute 37% of all workers in the construction sector, but they account for 43% of the wage labor.

Palestinian Arabs in general account for 28% of those who work in the service sector, while those from the 1967 occupied territories constitute 15.5% of the total number of service workers, and 24% of the wage laborers in this sector.

In the industrial sector, Palestinian Arab constitute 15% of the labor force; workers from the 1967 occupied territories constitute about 5% of the whole industrial labor force and 6% of wage laborers.

In summary, Palestinian workers from the 1967 occupied territories have decisive importance in three main sectors in the following order: construction, agriculture and services, as well as a lesser importance in industry. Even these percentages do not totally represent the role of the Palestinian workers in the Israeli economy. Labor and wage labor are general terms. Even if the Jewish agricultural engineer or architect is a wage laborer, is he the same as the Palestinian worker? Absolutely not, for each has his respective position in the production process and the professional hierarchy. Even though we haven't statistics about the distribution of the wage labor force, we are certain that we can conclude that Palestinian wage laborers are increasingly concentrated in the lowest stratum of wage laborers.

This means that we can speak of the semi-domination of Palestinian labor over a total production stage in the main sectors of the Israeli economy. This is extremely dangerous for the Israeli economy, not only because of the huge number of Arab laborers, but because of the political implications this has. Any move on the part of the Palestinian labor force would not only obstruct a single production stage in one sector at a time, but it would obstruct several other related sectors as well, since these sectors are linked by one internal dynamic.

THE ACHILLES HEEL OF THE ECONOMIC GIANT

This indicates the most important direct loss which the uprising has caused to the Israeli economy. It is not only a direct, material loss, but has many dimensions connected to the Israeli development policy. It exposed the weakness of the political base on which the economic giant was founded. From a distance, this giant seems to be one body, while in essence it consists of two simultaneously unified and contradictory parts. Before moving from this point, it is necessary to confirm that Israel needs to employ a certain amount of Palestinian labor. In practice, Israel employs about 120,000 workers from the 1967 occupied territories. Moreover, Israel has previously tried to dispense with what it found could not be dispensed with - the Palestinian workers. In other words, Israel has a limited freedom and capacity to dispense with them and compensate for their total or partial boycott of work.

There is no need to go further in adding statistical details. I dare conclude that the Israeli losses can be calculated at more than one billion dollars to date based on: the size of the Israeli national product and the share of each economic sector in this, since the Palestinian workers have a decisive effect on this national product; the percentage of the Palestinian labor force in the economic sectors; and the period of time which has passed since the uprising began.

I elaborated on the previous point because it is the crux of the whole matter, not only because of its implications in terms of Israeli economic losses, but because it sheds light on a central matter which has rarely been given attention in the past. It will provide us with a proper foundation for measuring the position of the 1967 occupied territories in the whole Israeli economic cycle. This leads us to deal briefly with another important point concerning trade. The 1967 occupied territories' exports to Israel in 1985 were valued at 178.4 million dollars, while imports from Israel amounted to a value of 602.4 million dollars. This gave Israel an annual surplus in the trade balance of 424 million dollars. Calculating Israeli losses on this level is not easy, but whatever they were, they were compound. Like in other cases, these losses surpass their numerical cost, since they contribute to the spread of a negative dynamic in the whole Israeli socioeconomic fabric. We hereby move to another level which concerns the performance of the economy as a whole under the new conditions, which should have important effects in the future.

There are many statements and signs confirming that Israel longs to become an economic base for the capitalist West. To achieve that, it offers as incentives cheap labor power, proximity to the Afro-Asian market and other features. Accordingly, Israel strives to attract foreign investment. While it is early to talk about numbers in this field, we can speak of the great negative effect of the uprising on Israeli capacity to attract this kind of capital which seeks profits and safety at the same time.

Delaying mention of the Israeli security expenditures doesn't mean any lessening of their size or importance. These expenditures are not restricted to the cost of maintaining the soldiers, ►