

favor of the Jewish community. Having established the “developmental distinction,” based on the differences in the demographic and socioeconomic attributes between the two, moves on to say in Chapter 4 that “the prime cause of the emergence of Mandatory Palestine as a divided economy must be sought in the markets for primary factors of production—land, reproducible capital, and labour [sic].”⁴⁶ That too he bases on the differences in the markets for these factors between the two economies.

In his discussion of land, Metzer deals with the volume of sales, especially that of Arabs to Jewish Europeans, the prices of land where he considers the prices paid by settlers to be too high, and the consequences of these sales. Metzer uses the neoclassical concepts of preference and free choice in explaining the sale of land by Palestinian Arabs to Jewish European settlers and sales within the former. He states:

As for the landowners, by exchanging land for cash at the going price they revealed their preferences for selling over the alternative of holding on to their possessions: by doing so they obviously expected to improve their economic lot.

This inference holds for poor peasants (*fellaheen*) who may have sold their land in order to pay off or at least reduce their debts (some even turning into tenants, cultivating their previously owned land), as well as for owners of large estates who used the proceeds from their land sales to finance ventures of sufficiently high expected profitability, in agriculture or elsewhere.⁴⁷

⁴⁶*Ibid.*, 84.

⁴⁷*Ibid.*, 90.