

patriarchs and their poorer kin, and finally--probably the most insoluble of all these conflicts--between the Jewish Yishuv and the Arab community as a whole. All these contradictions were diffused, 'deflected', and even protected and nourished within the context of the factional system. The strain they produced, although occasionally, it would disrupt the functioning of the system, never succeeded in breaking it.

But what about the bourgeoisie? To determine the existence of a capitalist class in Palestine, a brief sketch of its terrain is necessary. While the old regional divisions in Palestine--based on administrative zones under Ottoman and British rule--began to lose their original significance, new divisions began to emerge reflecting the integration of the region's economy into the European capitalist market. Colonial penetration also contributed to the development of a modern infrastructure, to a large extent for reasons of military strategy. By the First World War, Palestine had the greatest ratio of railroad track per capita in the Middle East, although the economic impact of modern transportation was not as dramatic as in Egypt (Baer, 1975: 497).

The building of the Jaffa-Haifa railroad line (later Jerusalem-Haifa, and linked to the Hijaz railway), the growth of citriculture with a European market, and the proliferation of wage labour related to the British war efforts and the employment of Palestinians in the government bureaucracy--all led to the decline of subsistence character of agriculture and the semi-feudal relations hinging on it.

Many absentee landlords who resided in the main cities, and a few state functionaries whose wealth did not rest on land, began to re-invest their agricultural surplus in export/import trade, and in light industries. A Royal Commission Report prepared during the revolt year of 1936 challenges the predominant picture of a vigorous modern Jewish industrial economy dwarfing an