

by Jewish workers. This stable situation prevailed as long as expansionist trends in the Israeli economy, triggered by the 1967 War, continued. Simultaneously, Arab industries stagnated; they were unable to compete, or to pay wages equivalent to those paid by Jewish employers, low as they were. Their only chance of survival was in technological improvement and the introduction of labour-substituting machinery, but given their low capital stock and the prevailing insecurity, this chance was more than remote.

A New Stage in Israeli Colonialism ?

It has often been suggested in the literature of the Arab-Israeli conflict that the process of Jewish colonisation in Palestine, in its broad thrust and objectives, had a fixed character, namely that the Jewish impacts on Palestinian society can be reduced to the question of displacement of peasants from their land, and their transformation into a sub-proletariat. This process of displacement has been regarded as a central point differentiating Israeli colonialism from the colonialism of European countries of the old world, which have sought by various means to exploit the resources and populations of the subject territories rather than to destroy them. Thus Nathan Weinstock characterises Jewish settlement prior to the 1948 War in the following manner:

Zionist colonisation, while unquestionable exerting a favorable effect on the standards of cultivation and health in the country, built a new society in which Hebrew capitalists exploited a Hebrew proletariat by implementing specific segregationist principles -- at the expense of the Palestinians. This aspect of Zionist ideology precluded it from fulfilling the historically progressive function of colonialism -- the generalisation of the capitalist mode of production. Nor were the victims of the Zionist enterprise able to lead a consequent struggle for self-determination, since the underlying principles of Jewish colonisation led to the distortion of the Palestinian social structure and the obstruction of the development of the Palestinian bourgeoisie and the working class (Weinstock, 1973:63).