one prevailing before 1948.

In contrast, Israeli society -- up to the sixties -- provided a model of rapid economic growth and modernisation based on the importation of European skilled immigrants, the mechanisation of agriculture, the development of industries generated with the help of foreign capital and the exclusion -- or near exclusion -- of the indigenous (Palestinian) population from this process. With the 1967 occupation -- or to be more precise, with the integration of the Arab labour force within Israel in the early sixties -- a new pattern of growth replaced the previous one. A new tendency now began to absorb Palestinian productive apparatus in a manner which seems functionally fixed for both the dominant and dominated society.

This process had the further consequence of stimulating upward occupational mobility for certain sections of the Jewish labour force (cf. Ben Porath, 1966:47-62) and the release of another substantial segment of the population for military mobilisation. The increased integration and fixity in the pattern of interaction between the two societies seem to have resisted both the recession of 1975 in the Israeli economy and the counter-demand for labour brought about by the construction and industrial book in neighbouring Jordan. This is confirmed in a study by the Bank of Israel:

> In 1975, 83 percent of the [occupied] areas' total trade (export and import) was with Israel, compared with 73 percent in 1972 and 66 percent in 1968, when this common market came into being. The uptrend was sustained alongside a notable expansion of exports via the Jordan bridges from both the West Bank and Gaza (citrus) to Jordan, other Arab countries, and recently Iran (Bregman, 1976:11).