

Nevertheless, in both the West Bank and Gaza a significant amount of wealth was accumulated during the early years of occupation from sub-contracting, labour contracting, trade with Jordan and other business activities.⁴ Investment, however, has been most noticeable in nonproductive activities (see Table 4:1).

Table 4:1

Gross Investment in the West Bank & Gaza, 1968-75

(IL millions at 1974 prices)

	<u>1968-69</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Public sector investments	75	116	123	159
Private sector investments	85	395	484	510
of which: construction	53	280	364	392
transport vehicles	32	115	130	121
Total gross investments (after changes in inventory)	173	455	733	568

Sources: Israel Central Bureau of Statistics/Bregman Table 11-5, p. 20 (partial). The Bank of Israel provides separate figures for Gaza and the West Bank, which are collapsed here. No change of inventory is given for Gaza between 1973 and 1975.

Thus construction has accounted for about 70 percent of all private investment throughout the period 1968-75; the purchase of commercial vehicles (for the transport of workers) adds up to a substantial share of the remaining investment. A negligible amount was invested in manufacturing. Furthermore, there are indications that hoarding is widespread, especially among peasants.⁵ Not all the blame for this imbalance in the allocation of wealth can be attributed to the heritage of the regional discriminatory policies under Jordanian rule. A major cause is the immense competition the Palestinian investor would have to face from Israeli production and actual admi-