

Table (V - 1)
West Bank Gross Domestic Product - 1965

Sector	Thousands of	Percent of	Percent of national
	Dinars	total	estimates
Total	54,501	100.01	36
Agriculture	12,998	23.9	38
Industry	3,576	6.6	26
Quarrying	646	1.2	26
Construction	3,147	5.8	40
Electricity & water	587	1.1	35
Transportation	3,229	5.9	26
Trade	12,574	23.1	40
Banking & Finance	844	1.5	40
Home ownership	4,276	7.8	40
Public service & security	7,496	13.7	35
Other services	5,132	9.4	40

Source: Economic Planning Authority, Economic Survey of the West Bank,
(Jerusalem: Central Bureau of Statistics, 1967), 12pp
(original in Hebrew).

The above figures indicate that the West Bank played an important role in Jordan's economy. Its contribution to most sectors was 35 to 40 percent. More importantly, it became the primary supplier of skilled labour and capital which were deployed in rapidly growing East Bank infrastructures. This resulted in massive migration of workers (and their families) to the East Bank, settling mostly in and around Amman.

East-bound migration of labour gained further momentum with the emergencies of the Gulf oil countries in the early fifties. Large numbers of Palestinians from both sides of Jordan emigrated, first to

Kuwait and Saudi Arabia, and then to other emirates with newly discovered wealth.

Emigration of human resources from the West Bank signifies the most important feature in its socio-economic configuration during the Jordanian rule. Emigrants started to send sizeable remittances to their relatives at home, who used the money in improving their low standards of living and in constructing new houses. Remittances from emigrants had, in fact, become an important factor in the relative prosperity which prevailed in both parts of Jordan during the early sixties.

Emigration, on the other hand, precipitated negative repercussions of a different nature. It gravely undermined more efficient exploitation of resources, created an emasculated political entity, and brought about serious demographic weaknesses relative to the Arab-Israeli conflict. So when the West Bank changed hands in 1967, the occupying authority had relatively little difficulty in exerting control.

Post-occupation developments

During the few weeks following its sudden victory in June 1967, Israel's economic policies in the occupied territories were basically of a remedial nature. But having discovered the extensive opportunities generated by its military victories, Israel appeared to formulate a comprehensive economic policy which, as now suggested by considerable evidence, has been guided by the following premises:

1. Permitting, and later encouraging, residents from the occupied territories to join Israel's labour market.
2. Opening local markets in the territories to free entry of Israeli goods, but with the flow of goods from the territories into Israel