

lowed by soap and food industries, textiles in Gaza, leather industry in Jerusalem, olive and sesame oil processing factories in Nablus, Jaffa, Jerusalem and Haifa. Haifa had, in addition, a manufacturing project for irrigation machines. In the aftermath of the First World War, Palestine's industry consisted merely of small-scale units of production (both factories and guilds) employing between 6-10 workers.¹⁴

When the British Mandate was first imposed on Palestine, however, there was only the beginning of a wage-earning grouping under non-capitalist relations of production, as in citrus plantations. Capital remained predominantly merchant also in manufacture under the predominance of the guild system of production. The majority of the small-town dwellers were engaged in agriculture, specifically orchards (citrus plantations). City dwellers consisted mainly of professionals, handlers, stonemasons, builders and unskilled rural immigrant workers.¹⁵

The penetration of British capital into Palestine did not transform the guild and stimulate modern production. On the contrary, it crippled the guild system and probably blocked the development of modern industry. Even in production, indigenous capital remained money capital.¹⁶

Until the eighteenth century, goods manufactured under the guild system were exported to Europe. Following the Industrial Revolution, however, these goods were forcefully removed even from Palestine's local market to provide a marketplace for imported European commodities.¹⁷

Concessions obtained by Western powers, on the one hand, and the intensification of feudal plunder, on the other, resulted in crippling both local trade and industry, and eliminating the possibility for the development of a modern national bourgeoisie. As Frederick Engels explains, in the face of