

unrest and sabotage. This, in turn, increases the need for repressive measures, including "layoffs", and the call on State intervention for, using Manuel Castell's expression, "the socialization of the cost and the privatization of the profit."⁴³ This issue is directly related to the "political-business-cycle" and the fiscal crisis of the State, affecting, in turn, the "economic-business-cycle", a series of contradictions to which we will return later on.

It must be kept in mind that labor unrest is reinforced by the decline of unemployment rates. Under capitalism, a certain rate of unemployment is systematically maintained precisely for its disciplinary function--disciplining the labor force. It follows that labor unrest is highest under conditions of full employment. These conditions are promoted by the expansion of the military as it absorbs the surplus population, hence the diminishing of labor reserves. These dynamics in the Israeli realities are most evidenced in the figures on labor unrest characterizing the post-1967 War in general, and the post-1973 economic/political crisis in particular.

It is important to indicate that absorption of the surplus population by the military (for security considerations) applies most to the Israeli-Jewish labor force and least to the Palestinian-Arab labor force. In fact, the expansion of the military makes more room in the civilian labor market, furthering the demand for Arab labor. Both the availability of unmobilized reserves of Palestinian-Arab labor in Israel, as well as an unlimited supply of non-citizen Palestinian labor in occupied territories under conditions of severe political vulnerability, provide for the utmost disciplining of the Arab labor force. This fact is evident, for example, in the lack of labor unrest in the construction branch, where