

Palestinian-Arab labor is concentrated.<sup>44</sup> Although the import of cheaper labor power from occupied territories is potentially disciplining to the Palestinian-Arab labor force inside Israel, it has, if any, very little disciplinary effect on the Jewish labor force of Israel. Since the integration of the territories occupied in 1967 into the Israeli economy, and with the increasing penetration of Palestinian-Arabs into the Israeli labor market, a negative correlation existed between the former and Israeli labor unrest. Labor unrest has been constantly rising, more in correlation with declining rates of unemployment or the persisting of full employment conditions.<sup>45</sup>

The fact that importing Palestinian-Arab labor power inflicts no disciplinary effect on the Jewish labor force is probably linked to the increased integration of the civilian economy into military production. Considerations of security (both of the State and of this dominant industrial capital) do indeed shelter Jewish industrial workers (who are increasingly moving into military and military-related production) from the competitiveness of this cheaper Arab labor. This point may explain the import of labor -- non-Jewish labor -- from European countries like Yugoslavia in 1972.<sup>46</sup>

During the peak of the economic boom, full employment and a shortage in Jewish labor, the import, on a temporary basis, of this skilled European labor that represents no security risk for the State of Israel, is more likely to discipline the Jewish industrial labor force in these strategic sectors of the Israeli economy.

This point has some bearing on our central question regarding the prospects for Jewish-Arab proletarian alliance in Israel. The relation of political domination/subordination prevalent today provides the subordi-