

The lower rate of unemployment among Arabs, however, can be understood only in light of the possibility for making it easily invisible by pushing this labor force back into semi-subsistence traditional rural villages. And, also, in light of the lack of temporary absence from the labor force for compulsory military service in the reserves army, which applies mainly to the Jewish citizens. Thirdly, in light of their political vulnerability and the non-applicability of most bourgeois civil rights to them, which reduces the need for disciplining this labor force by means of high unemployment rates. In the past, Arab labor force was released through work permits just to meet the demand. The supply side of this labor was never allowed to flow freely prior to this economic development phase; as we have elaborately described in Chapter II. Mechanisms such as Emergency Regulations (inherited from the British Colonial Mandate and denounced as "fascist" by many Zionists at the time of the Mandate) used in previous years to regulate the entry-exit flows of citizen-Arab workers into the Israeli labor market, made more possible the use of Arab labor as a flexibility-displaying factor. Economically speaking, the role played by these mechanisms is not dissimilar to the role of racism in regulating the participation of blacks in the United States urban labor market.

This, however, poses a question regarding the prospective use of citizen-Arab labor as a flexibility-displaying variable in the new realities created by the war. We are referring specifically to three new realities: first, the emergence of a modern labor market replacing the Labor-Exchanges; mechanisms that have historically regulated the demand and supply sides of labor in Israel since its very inception. Second,