

inforce the conclusion suggested by the analysis of non-citizen Palestinian employment in Israel. That is, the prospects for cross-national proletarian alliance are greater during periods of rapid economic growth, not decline and stagnation. Because it is in such periods that Palestinian-Arabs and Israeli-Jews experience the highest rates of joint penetration into the productive branches of the economy.

A comparison between two periods of economic crisis before and after the 1967 War (Row D and G) in addition reinforces the conclusion reached above; it points out an increased dependency of Israel's industry on Palestinian-Arab labor in the post-1967 era (Column 2).

During the post-1973 political and economic crises, and while Jewish employment declines by one percent, Arab industrial employment increases by 12 percent. This is very different from the pre-1967 recession, when Arabs' employment in industry declined by 7 percent to make room for Jewish labor. The 12 percent increase in industrial employment balances out for their declining employment in construction.

The integration of Palestinian labor into Israel's industry can only increase, and the dependency of the former on this labor force is an irreversible one. The latter point is based upon at least two of several transformations occurring since the 1967 War in the country's industrial production: the transfer of industries inappropriate (certainly in terms of productivity or profit) for Jewish labor into Arab separate residential locales, mentioned above. And the indirectly related but more important shift into high technology military production, into which skilled Jewish industrial labor force is to be mobilized, leaving gaps in the less strategic indus-