

C. Electricity and water (Column 3) is the economic branch in which Jewish and Arab employment show high rates of decline during periods of rapid economic growth (Row E and F) and growth in periods of economic stagnation (Rows B, D, G). This seemingly negative correlation is most prominent in the contrast between the three years before and after the 1967 War (Row C and D).

Although it has the lowest weight in the employment structure, this economic branch is yet very important, being related to the country's most scarce resource, namely water, and therefore electricity. The management of its use becomes even more critical in the absence of other (with the exception of solar) energy sources. Perhaps the employment figures in this branch can be read in two different ways:

(a) that an earlier growth does, in effect contribute to the development of, hence the generation of employment opportunities in, other branches;

(b) that in the post-1967 era, work in this branch became very capital-intensive and therefore labor-saving, hence the decline in Arab and Jewish employment in that branch.

Both interpretations are correct. Aviation Week & Space Technology, June 14, 1976, testifies for the latter. But also the former interpretation makes sense, since the figures in Rows B and D relate to that period in which construction of the first national water scheme for the irrigation of the Negev took place. That is, the giant canal mobilizing water from northern Galilee to the southern parts of the country, which may have undoubtedly steered employment into this branch.