

the very leading industry as far as number of establishments; the average size of a metal products factory grew from 10 workers in 1963 to 25 workers in 1972/1973. It has probably increased further in more recent years, despite the post-1973 crisis.

The Economic Quarterly - Israel reports: "a very rapid growth since the wars in 1967 and 1973 in metal-using industries and electronics, especially in the field of military equipment."⁶ The growth in the workers/establishment ratio probably signifies not a pure concentration tendency but also capitalist transformation of the petty commodity form. This is unlike the change from 38 to 75 workers in the average size of basic metals.⁷ This latter signifies mere concentration. In the former, we are speaking about finished level of production; essentially a high-skill craft work, more characteristic of the workshop, as compared to the factory labor process. It has probably been transformed into mass production in response to increased demand on the international market, as in the case of the kibbutz helmet industry, mentioned earlier in this thesis. The fact that despite some concentration it is still a relatively small-scale production is perhaps related to being traditionally the specialty of the kibbutz.

The development of metal finish-products industry in the kibbutz goes back to the Yishuv phase,⁸ specializing then in rifles, however, for merely national consumption. It is only recently that it has become a major export industry.

Other traditional industries which produce luxury consumer goods for export show a different pattern of transformation.

(e) The diamond industry:

In the diamond industry (known in the past as Israel's main export