

tories placed in Arab villages is even more effective; it transfers the entire subsistence cost of the hired labor to the Arab village.

To point out the relevance of the above to our central analysis is to argue that the externalization of the problem of hired labor removes socio-ideological and economic constraints, hence the encouragement of the kibbutz capital to hire more and more labor. This, in effect, may imply furthering the proletarianization process, specifically among citizen Palestinians. The latter is emphasized in light of the urge to maintain higher rates of profit in the face of the persisting economic crisis. This is probably why subcontracting, which originally developed as a form of inter-kibbutz cooperation, is now being applied to factories in Arab villages. In this case, it is the subcontracting of work "which is not appropriate to the character of the kibbutz." We interpret the latter as being work which involves the extraction of a higher rate of surplus-value and industries that generate mainly unskilled labor categories, such as plastic products and food processing.

Moreover, we tend to think that both of these recent developments in the kibbutz are linked to the militarization of the kibbutz economy, specifically the introduction of high technology and arms-related metal industries. This is to say, the integration of the kibbutz economy into the country's leading export sector. The regionalization of the kibbutz industrial production seems more directly related to efficiency measures and infrastructural complexity as prerequisites for high technology industry. The Regional Factories of all the kibbutzim located on "national land" not in Arab villages are most likely to employ non-kibbutznic Jewish labor force. The profitability imperative underlying the emphasis on non-kibbutznic labor, and the security