

the Galilee in particular the Judiazation schemes are motivated primarily by the imperative of Jewish demographic superiority.

Military industrialization of the rural frontiers is, therefore, provision of material incentives for Aliyah, for population dispersion, and for readjustment of the demographic map to new political and economic requirements.

An illustration of a more recent adjustment is a proposal by Defense Minister Shimon Peres (presented in the Government meeting on May 8, 1977) to transfer 11 military factories with their 3,000 workers from central locations in the country into the Negev and transfer of other military factories and training school with their 4,000 employees from Haifa into the Galilee; a relocation scheme with an initial cost of 60 million I.L. Minister Peres added that a new additional arms factory will be erected in Segif (a Jewish settlement) near Sakhnin (an Arab village).

Concomitant with the transplantation of military industrial plants in rural Jewish settlements is the transfer of the supplanted traditional industries of these settlements into Arab villages. Military industrialization of Jewish rural settlements is, therefore, resulting in non-military industrialization of the Arab community.

C. The Industrialization of the Arab Community: Development or Plunder?

For small local Israeli private capital to accumulate in the face of more competitive capital in the country, the Arab community represents the indispensable fertile investment site. Only in the least developed communities where subsistence cost is lowest can this form of capital reap super-profit. And only with super-profit can this capital increase its organic composition and expand.