

form of production can be a progressive step, such as on the Maritime Plains, where surplus value extracted from the peasants was re-invested in the production process. It can also be a regressive factor and an obstacle to capitalist changes, such as in the Marj Plain and Beisan.

Yet, even in its most backward manifestation, where it managed to turn free peasants into serfs, such as in lands controlled by heads of Hamulas, share-cropping produced its own contradictions as well. The increasing differentiation and polarization of the Hamula testified to this.

The culmination of the socio-economic changes during the 19th century found their full expression only after British colonization of Palestine in 1920. Until then Palestine's class structure was still largely composed of masses of peasants in the process of being depeasantized and newly formed classes of landowners.

The depeasantization and the beginning of the process of polarization of the peasants, this chapter shows, was rooted in 19th century socio-economic changes. The process began from within the structure of pre-capitalist production and was further enhanced by the western capitalist encroachment into the Ottoman Empire. This process not only led to the emergence of new classes of landlords, such as the western capitalist industrialists represented by the Rothschilds and the Bergheims, and the Absentee landlords like the Sursuks, but also gave rise to fundamental changes in the structure of the Palestinian peasantry. The appreciation of this phenomenon, it must be added was largely possible because of the re-examination of Palestine's pre-capitalist forms of production discussed in this chapter.

As pointed out in this chapter, Palestine in its pre-capitalist