

of the Jewish state. To admit publicly that unemployment was serious, and that the economy of Palestine could not afford to absorb new immigrants, would have been tantamount to committing political suicide by jeopardizing the whole project of Zionist colonization.

The Zionist leaders in Palestine knew that by telling the truth about unemployment they would provide an excuse for the colonial government to answer the demands of the Palestinians to halt immigration and further Jewish settlements. They also knew that reporting unemployment and harsh economic conditions would discourage intended immigrants from all classes, particularly when political conditions in Palestine throughout these years were tense, and indigenous violent resistance was widespread.

This policy did not go unnoticed by various Arab labour organizations. The Arab Workers' Society criticised this policy as false propaganda aimed at deceiving the international community and particularly the intended Jewish immigrants. In its report to the "Peel Commission", the Society wrote:

The claim that the Palestinian economy was flourishing during the 1930s is false. This false impression is aimed at alluring Jewish capitalists to immigrate and convincing the civilized world of the profits....Jewish immigration and the Jewish national home is making.. By masking and concealing the truth from the world.,-at the expense of both Jewish and Arab workers- the Zionists chose to side with Jewish capitalism and British colonialism.
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This analysis has so far revealed two major points. It has demonstrated that in the process of capitalist development, a large force of indigenous Palestinian labourers was totally alienated from its previous means of production and was placed under the complete subjugation of capital. And secondly, that throughout the economy, all