

contributed to the depeasantization and eventual proletarianization of the fallaheen, a process of capitalist development in certain branches of agricultural production (i.e., citrus and olive) had been initiated, enhancing further the process of change by indirectly - through competition- displacing a section of the independent peasant producers. In support of this argument, archival data documenting individual and group bankruptcies and ruination were presented. The culmination of a fairly long process of change expressed in land and peasant expropriation, taxation, capitalist competition and heavy peasant indebtedness, (Chapter IV) found its articulation in the acceleration of rural class differentiation and contradiction as well as in the overall ruination of the Palestinian rural economy.

The culmination of the process of capitalist transformation of an economy and the consequent capitalist transformation of its rural class structure, Marxists point out, expresses changes in both the forces of production as well as the relations of production (Marx, 1977; Lenin, 1960; Bradby, 1980; Bagchi, 1982; Saleh, 1979). Such capitalist penetration in agriculture was demonstrated in our study through a detailed analysis (Chapter V) of the changes in production techniques, with special reference to the role of capital investment in agriculture, the use of technology and machinery and the transformation of large-scale extensive and labour intensive agriculture into small-scale capital intensive commercial enterprises. Some of the ultimate consequences of the process of capitalist development of agricultural production, expressed in the gradual decline and eventual ruination of the rural agrarian economy are also highlighted.