

broader, more historical methodology to assist our inquiry.

As indicated above, there have been basically three approaches to the study of the Palestine economy during the Mandate period: (a) one that uses a “dual-economy” approach, (b) one that employs the “articulation of capitalist/noncapitalist” modes of production, and (c) one that views Palestine as a “typical colony.”²⁷ However, most of the extant literature employs the dual-economy approach. The major assumption of all who use this approach is that there existed in Palestine two economies or two sectors, one Arab (traditional) and one Jewish (modern), and that these sectors or economies developed separately from each other. Any relationship between the two sectors, when acknowledged, is considered limited and thus inconsequential. The ideological implication of the dual-economy approach is that the Israeli economy that was borne out of the Mandate period was largely or entirely a self-made entity reliant primarily or exclusively on its own internal dynamism and its connection to European immigration and European capital.

Although there are several variants within this dualistic approach, they all share one feature that may be considered as the foundation for their analysis: the stress on the different social and economic characteristics of the “two sectors.” The differences between the two sectors become, in themselves, implicitly or explicitly, the basis for the thesis of dual economy and separate development.

²⁷Roger Owen, “Introduction,” *Studies in the Economic and Social History of Palestine in the Nineteenth and Twentieth Centuries* (Carbondale: Southern Illinois University Press, 1982), 3-8.