

Moreover, from an economic history point of view, this approach, by its characterization of the Arab sector as noncapitalist, tends to blur the beginnings and extent of market relations and capitalist development within Arab society. The integration of Palestine in the world market came from internal developments (e.g., the impetus of the Land Code of 1858) and increased external trade contacts that preceded the interaction of the Jewish and Arab sectors. Similarly, during the Mandate period, production for the market and wage labor showed noticeable increase. These developments have to be taken into account to better understand the extent of changes in the relations of production in rural areas.

1.3.6 The European Colony Approach

The third approach treats Palestine as a “typical European colony with a typical European settler minority.” This was true in many respects. Whether in terms of its administration or policies, the practices of the government were in line with the other British colonies. The British were able to circumvent international restrictions put on mandated territories that would have prevented it from “establishing special privileges for itself.”¹¹¹

The government’s system of finance, the requirement that it pays its expenses without a burden on the British treasury, and the direct linking of the Palestine pound with the sterling were also typical features of Britain’s other colonies. In addition, the government sought “to promote rural stability by means

¹¹¹The discussion of this approach is drawn from Owen, “Introduction,” 4-5.