

Over the last two centuries or so, no country was able to modernize without some kind of serious institutional or state support. This support was/is needed even more by the primarily agricultural economies. Thus, the dualist idea that the Arab economy failed to modernize is ahistorical and out of context with existing conditions.

In conclusion, the use of modern intensive techniques of production and wage labor in agriculture by the European settlers was introduced from the beginning of the Mandate period. “It was a capitalist society from birth; or, if not quite then, as soon as it could crawl.”<sup>53</sup> In other words, it was not the result of a process of socioeconomic change and modernization among the settlers. Rather it was necessitated by the need for settler farmers to have a sufficient income that would allow them to stay in the country. In the pre-Mandate period, thousands of European Jewish settlers left the country because they were unable to eke out a living.

The ideological calling to “redeem the land” and “reconstitute the nation” proved not good enough. Thus, the need for and the start of a different form of agricultural settlement, the mixed farm, whether collective, cooperative, or completely private that were sustained, in differing degrees, by institutional support, which provided resources and agricultural know-how.

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<sup>53</sup>This phrase was borrowed from a description of capitalist development in the United States by Douglas Dowd, *The Twisted Dream* (Cambridge: Winthrop Publishers, 1974), 47.