

appropriators to invest in intensive cultivation except in a relatively limited way. Given this, less risky investment such as building and construction and trade provided more favorable alternatives. At a more general level, the government was very careful in its dealings with the rural areas and the implementation of policies such as the provision of credit and the introduction of new techniques so as not to upset the existing socioeconomic structure and patterns of domination.⁴⁵ This approach was also evident in the government's administrative and educational policies.⁴⁶ The complete separation of the majority of peasants from the land without the availability of alternative sources of income or jobs was a potential source of social unrest that the government was always cognizant of and careful to avoid.⁴⁷

Second, there was the presence of and competition from a Jewish European capitalist "sector" with substantial capital and other resources that sought to develop along exclusivist lines, especially after 1936. Unlike some other colonial settler projects, the Zionist settlers, on the whole, did not seek Arab labor in spite of the exception to this at different times and for different reasons. So, while Arab peasants were being expropriated, European industry closed its doors to them, and Arab industry could not provide sufficient jobs. Although, as already noted, there was investment in intensive cultivation and manufacturing by Arabs, the bulk was

⁴⁵Sarah Graham-Brown, "The Political Economy," 99-100.

⁴⁶Ylana Miller, *Government and Society in Rural Palestine, 1920-1948* (Austin: University of Texas Press, 1985).

⁴⁷Sarah Graham-Brown, "The Political Economy," 99-100.