

its citizenship and of those who came under occupation as a result of the 1967 war. The continued expropriation of land after 1948 is made easier by expropriators having control of the state and illustrates both the continued impact on the Palestinian Arabs and the colonial nature of Israel.

The third manner of dispossession was associated with the commoditization of land and the spread of market relations in the country. However, this commoditization was closely related to the acquisition of land by European settlers in conjunction with government policies and the nature and changes in land tenure. In turn, the spread of market relations and the impact of government policies provided favorable conditions for further dispossession of small peasants by European settlers and Arab large landowners, merchants, moneylenders, and other better-off individuals in rural and urban areas. The main developments in rural areas and the factors acting on the process of differentiation and dispossession are presented next.

In the 1850s to 1914 period, there was substantial economic growth in Palestine as indicated by the growth in the three sectors of the economy and by population growth. The agricultural branch was able to produce a substantial surplus of cereals and cash crops for export. However, besides the increased use of irrigation and wage labor (primarily seasonal), there were no changes in the techniques of production or, more importantly, any noticeable changes in the relations of production.