

sition of the mercantile and manufacturing bourgeoisie in Palestine. As in the neighbouring Arab countries it was a stratum organically linked to the landed classes. Those entrepreneurs who were not landlords either had patronage relationships with them, or were related to them by marriage. Furthermore, most landlords found it convenient to invest their agricultural surplus either in real estate transactions, construction, or in 'buying' posts for their sons (e.g. through marriage bonds)--in all cases, non-productive activities.

I am not suggesting a closed circle here. The fact that capitalists and merchants belonged to the same families, and were often the same people, in the form of the landed elite, does not necessarily negate the possibility that these were indeed two, functionally separate, classes: entrepreneurs and landlords. After all, capitalists have to come from somewhere, and in Palestine--as elsewhere in the Middle East--there was a process of differentiation taking place within the landed classes. But this process of differentiation did not generate the growth of a proper bourgeoisie. Because the Palestinian hegemonic class, the class of landlords and urban notables, did not have control over the colonial state apparatus, and because of the heavy competition from the autonomous Jewish sector (which, except for the period of the boycott, had unhindered access over the Arab consumer market) the external condition for the growth of the Arab bourgeoisie did not obtain. Nor did it have its own internal dynamic. A very small portion of the agricultural surplus was invested in manufacturing enterprises. Those 'landed-businessmen' who did invest in manufacture, (such as al-Masri family, of the Nablus soap industries), were few and together were not capable of generating enough employment for the masses of dispossessed peasants, peasant-workers, and urban labourers who were looking for jobs. Those entrepreneurs were too closely linked to the landed elite to develop their own distinct consciousness and separate ideology. Most of them belonged