territory " (ibid). Peretz's account, whose main features we find convincing, raises important questions about the nature of what he calls the 'Palestinian elite'. In chapter two we tried to cast some light on the nature of hierarchical bonds that linked Palestinian rural society to their hegemonic elites in the urban centres and the political forces that articulated these bonds and conflicts between them. In our analysis we held that to the extent that these

forces expressed at the time class interests of groups that were threatened by

Jewish colonization, these forces were either incorporated into the factional structure (e.g. al-Istiqlal party), or were marginalized because of their inability to overcome the factionalism of the national movement (e.g. the Communist Party and the League of National Liberation). With the major dislocation that affected Palestinian society since

1948, and the disappearance of relations of patronage upon which factional

politics rested, we are compelled to look to different categories of analysis

to understand these changes. Although most Palestinians remaining in Palestine

still dwelt in rural districts (in the Galilee, the Triangle, and the West Bank--but not Gaza), their collectivity can no longer be characterized as a peasant society; that is, a society that derives its main livelihood from agriculture and in which the family farm constitutes the basic unit of social organization (Shanin 1971:14-15). This is especially true of the Arab rural sector in Israel, which was progressively incorporated into the Jewish economy, and its former peasants began to relate to it mainly as wage workers. To the extent that factional politics persisted in the Arab village it was due to

the external manipulation by Israeli political parties of a traditional clan

structure that was losing its viability and inner dynamic.

As a consequence of the war the peasantry of Palestine was dismembered

and relocated in three different social formations: (1) those who remained in

the state of Israel constituting a submerged underclass of peasant-workers