331). But the alternative avenues of employment have been in those sectors which display a high degree of instability in work tenure (e.g. in construction and catering), and hence in the formation of a cohesive working class. In the past two decades Arab employment in construction and public works alone increased by 270% (Israeli, 1976; Statistical Abstract of Israel 1982: 331-333).

Even more significantly the seventies witnessed a richer diversification in the class structure of Israeli Arabs, who while maintaining their village-based dwellings and (sometimes) plots succeeded into promoting themselves, in considerable numbers, into the ranks of self-employed (construction subcontracting, retail, etc.), into professional employment (Rosenfeld, 1978: 396) and have produced a militant intelligentsia (trained, in part, in Hebrew educational centres) which openly identifies itself with Palestinian nationalism (Nakhleh 1980; Smooha 1978). Rosenfeld (1978) refers to a policy of "de-territorilization", based on land confiscation, and aimed at maintaining the submerged underclass character of the Palestinian population, as having backfired as a result of changes eminating from the work process itself. This process has objectively diminished the class-ethnic cleavages which previously separated Jewish and Arab social structures within the Israeli state, and now has to be reinforced at the political level by the state:

Instead of regarding Arabs as a working class whose historical and cultural ties with (Jewish) immigrants from Middle East countries whose lack of employment and local development possibilities is often matched in new immigrant towns, and whose wages and standard of living, far below the middle class, are among the decisive features that join them to a Jewish working class, the Arabs are instead joined to their clans, and differences in character are posited as reasons for the separation between the two peoples (Rosenfeld, 1978:400-401).