gical conditions of the terrain which, apart from citriculture in the Gaza district and the Jordan Valley, and certain areas of grain farming in the northern districts, have not been conducive to mechanisation or capitalisation in agriculture. Similar constraints have been observed among the Arab population of Israel, especially in the Galilee (Carmi and Rosenfeld, 1974:471; Cohen, 1965:34), but we should keep in mind also factors of divergence between the two Palestinian communities. Among those factors are: (1) the role of emigration as a source of income and class differentiation of West Bankers and, to a lesser extent, Gazans; (2) the possibility of seeking short-term employment, partnerships and commercial contacts in neighbouring Arab states -- not available to Israeli Arabs; and (3) divergence in the class composition due to the presence of a higher proportion of professionals and semi-professionals (as well as urban refugees) among West Banker/Gazans than among Israeli Arabs. Among the latter, the predominance of wage labour in general and of the working class in particular is more pronounced, both quantitatively and in organisational ability. In the final analysis, however, there are important contrasts in the internal social structure between the West Bank and Gaza, in addition to homogenising tendencies, resulting from the increased integration with the Israeli economy (see Chapter 3). The longer Israeli occupation continues, the stronger we should expect these tendencies towards homogenisation to become.

The crucial factors as far as the structural transformation of the occupied regions is concerned, therefore, are the continued dependency of <u>one-half</u> of all wage earners in the population on employment in Israel, bringing home with them a sizeable proportion of the region's income (about 30 percent of the GNP), and the inability of local enterprises to create alternative employment opportunities for them.