

employment (for figures see Brown, 1938:137-139). Until then it seems, however, that payment for wages in kind was prevalent. Wilson describes how, in 1905, farmers from the central hills taking advantage of the early wheat and barley harvest in the plains were paid their wages in corn (Wilson, 1905:208; cited by Reilly, 1981:8). Wage labour did not become a factor in rural transformation, however, until the colonial administration of the British Mandate (1919-1948) created the conditions for substantial employment of peasants outside their villages.

Although formally Palestine was a mandated territory, and thus subjecting British rule to certain international restrictions, in practice the British established an administration which -- as in the other colonies -- relied on financing the colonial apparatus from internal revenues, especially the external tariff; "... like any formal colony, Palestine was expected to pay its own way financially as well as to support the cost of the local British garrison" (Owen, 1982:4).

Compared with most British colonies in South Asia and Africa, Palestine however, had little to offer in terms of economic exploitation by colonial investments. It was relatively poor in natural resources, trade possibilities, and (except for its modest citrus exports) agricultural produce (Asad, 1976:4 (note 4); but see also Scholch, 1982:12-18). Its main significance for the British was a strategic geographic location between Africa and the Middle East and as a supply and service centre for the British armed forces during the war years. This 'function' of the Palestine colony must be modified by the complexity of the tasks involved in carrying the terms of the Jewish National Home -- embedded in the Mandate -- while at the same time pacifying a native population provoked by that very policy.