The dominant theme of those studies has been to demonstrate the growth of a new rural-based proletariat as a result of Israel's economic annexation of the West Bank and Gaza; or its opposite, a process of declassment (Hilal, 1975; Zureik, 1976, 1979; Graham-Brown, 1979; Samara, 1979). Unlike earlier studies dealing with the formation of a rural proletariat in mandatory Palestine (Carmi and Rosenfeld, 1974; Taqqu, 1980)

or in the Galilee under Israeli rule (Cohen, 1965) those present works

focus primarily on the colonial aspect of this class relationship. More-

over, the controversy of the policy implication of employing Arabs within

the Israeli economy consider its effects on Israeli social structure as

well (Hilal, 1975:255-258; Farjoun, 1975; Bregman, 1976; Van Arkadie, 1977).

Farjoun, for example, sees the Palestinian labour force as performing two

important functions for the Israeli economy today:

1. As a non-organized sector of the work force it grants the

Israeli economy a significant range of flexibility during periods of crises, allowing it to lay off surplus labour during recessions, and to recruit workers at will -- during economic booms -- without being hampered by trade union restrictions.

2. The Arab labour force contributed to the strengthening of

the Jewish private bourgeoisie in its conflict with the

Histadrut-controlled industries and with the state bureau-

cracy, without the latter being able to mobilize the Jewish

work force against the effects of unorganized Arab labour since

their own industries (i.e. the public sector's) will be affec-

ted as well (Farjoun, 1979:3).