

Table (V - 4)

Dietary levels in the West Bank and Israel

<u>Daily food intake</u>	West Bank		Israel	<u>West Bank ratio to Israel (%)</u>
	<u>1970</u>	<u>1979</u>	<u>1979</u>	
Energy - calories	2550	2833	3039	93
Total protein-grams	75.2	81.2	96.4	84
Animal protein - grams	17.1	21.1	50.3	42
Fat - grams	61.4	70.8	113.5	62

Source: (1) Statistical Abstract of Israel 1980, *op. cit.*, p. 687, 278.(2) Statistical Abstract of Israel 1972, *op. cit.*, p. 655.

A similar rise has also been witnessed in the ownership of major household amenities. In addition to higher income, this has been further facilitated by the extensive dissemination of electric power produced by small generators. Table (V - 5) shows that the rise in household amenities has covered rural and urban communities alike, though a considerable gap still exists between the two.

Table (V - 5)

Households possessing certain amenities

(percent of all households)

	<u>Villages</u>		<u>Towns</u>	
	<u>1972</u>	<u>1979</u>	<u>1972</u>	<u>1979</u>
Electrical or gas stove	3.2*	11.3	22.5*	35.2
Electrical refrigerator	3.4	22.7	40.7	83.5
Washing machine	2.6*	5.9	41.0*	58.5
T.V. set	2.5	33.7	28.7	77.8

* For 1974.

Source: Statistical Abstract of Israel 1980, *op. cit.*, p. 689

The impact of the rising standard of living on the economic relations between the West Bank and Israel seems to indicate a kind of colonial cycle. Remittances of workers employed in Israel and imports of goods and services from there account respectively for about 25% and 60% of West Bank's GNP. But as more than 90 percent of imports are procured from Israel, West Bankers syphon back to Israel all their wage earnings, and probably much more. Obviously, such "affluence" is precarious and does little to serve the long term interests of the West Bank itself.

Expenditure, saving, and investment

Private consumption continued to rise, though with considerable fluctuations, all through the seventies. This was utilized largely for supporting a steadily improving standard of living, rather than for capital formation purposes. In fact investments on the average remained steady, despite alternate erratic fluctuations (see Table V - 6). Total investment in fixed assets, including dwellings, averaged at 14-15% of total resources, as compared with a rate of around 20% in Israel.¹

Likewise, the rate of saving declined in recent years until it reached a low of 13% in 1979,² which again indicates a growing trend towards a consumer economy in which saving and investment are kept to a minimum. Surplus capital, as we shall see later, has in fact been consistently channelled out of the country for investment in Jordan, where rates of return are higher and government policies are much more favourable.

¹ Arie Bregman, The Economy of the Administered Areas 1974-75 (Jerusalem: Research Department in the Bank of Israel, 1976) p. 17.

² Derived from the Statistical Abstract of Israel 1980, *op. cit.*, p. 683.