

This interpretation, in fact, coincides with the position expressed by the doves in the Labor Party who therefore advocate the returning of the populated occupied territories, as well as with the Israeli public opinion, as will be demonstrated by this study. A historical review of Palestinian proletarianization since the early years of Jewish settlement in Palestine (Chapter III) illustrates the fact that the non-proletarianization of Palestinians in the past (when the Zionist slogan, "boycott of Arab labor", was fanatically practiced) was associated precisely with the abundance of cheaper native Palestinian labor. Even after the 1948 war, when the majority of Palestinian producers were expelled from what was to become Israel, cheap Arab labor remained abundantly available inside Israel. The Zionist "conquest of land" through purchase and/or expropriation for Jewish settlement before and after the establishment of the Jewish State was constantly associated with the displacement of peasants, creating Palestinian labor surplus.

When West Galilee and the Small Triangle were annexed in 1949, Israel imposed Martial Law and activated the Emergency Regulations to regulate the mobility of Palestinian-Arab populations of these two regions and prevent their employment in Israeli-Jewish work places. These obstacles were only removed in the early sixties during the construction boom. This reservoir of Arab labor was then temporarily, yet massively mobilized into Israeli production.⁵

By contrast, the persisting integration of Palestinians on a massive scale into employment by Israeli-Jewish capital challenges the previous interpretation as too simplistic. It also urges our inquiry to be more directed towards the demand side and less towards the supply side of