

Chapters IV, V, VI, and VII are the core chapters of the thesis. Each, in a different way, carries forward the analysis at its explanatory level (identifying the forces generating demand for Palestinian labor) and simultaneously, at its practical level (assessing the objective conditions promoting and impeding cross-national proletarian alliance).

#### Chapter IV:

Characterizes the nature of Israel's labor force, its sources, ethnic composition, sites of reproduction of its labor power, how the different segments affect the development of the productive forces and transform the relations of production.

Central to this chapter is an account of the merging of the military and civilian and the shift into high technology production. We describe how the overdevelopment of the military productive forces in 1967 resulted in the militarization of the entire economy; how productivity requirements and effects increased the division of labor, and the urge for intensive exploitation (relative rate of surplus value); and how the shift into arms industry was determined by the type of labor in supply and how it was, in turn, to determine the type of labor in demand. We also describe the relation between militarization and the growing demand for Arab labor in the manual, non-supervisory, productive labor categories. Attention is also given to the growing contradictions; the conflicting investment versus Aliyah incentives; and how these contradictions, in effect, promote and impede commonality of class interest among Jews and Palestinian-Arabs in Israel.

#### Chapter V:

Examines the differential location of the various segments of Israel's