"Those cornerstones on which our future society will be built are simple healthy Sephardic and Yemenite workers, potential proletariat, a great portion of the diggers, camel drivers, and porters." 86

This quote suggests that the place of Oriental Jews in Israel's social division of labor, specifically their over-representation in unskilled and semi-skilled manual labor, was not accidental, but pre-planned, subject to requirements of capitalist development under the ideological hegemony of Labor-Zionism. This quote further reinforces our conviction that the mobilization of Oriental-Jews into Palestine was imperative for the proletarian, not other, Zionist strategy. This point, in turn, defies the Zionist claim of the refugee status of Israeli-Jews from Arab countries; and the attempt of the Zionist movement to equate the presence of Jews from Arab countries in Israel with the presence of Palestinians in Arab exile.

The use of unorganized Oriental-Jewish labor, although it provided a measure of flexibility to Jewish employees, did not <u>resolve</u> the contradiction inherent in the practice of Labor-Zionism. The more displaced and boycotted Arab labor was, the more competitive it became. The "boycott Arab labor" slogan was in contradiction with capitalist rationality inherent in the Jewish proletarianization/capitalization imperative.

Zionist material and non-material incentives (including subsidies to Jewish employers by the Jewish Agency <sup>87</sup>) were not capable of detering Jewish capitalists from the essential profitability incentives. Where it was possible to reap super profit and where it was inappropriate for Jewish labor to work (e.g., below subsistence wages and/or rough manual work, like mining, etc.), Arab labor was still employed. According to the Esco Foundation of Palestine:

"In practice, Jewish industrial as well as agricultural enterprise employs a considerable amount of Arab labor. Such indus-