

tries as the Palestine Electric Corporation and the Palestine Potash Company, based on government concessions, do so as part of their agreement. Other large private industries, such as the Nir Match Company and Portland Cement, employ mixed labor, as do some smaller establishments. In the old colonies, Arab agricultural labor predominated; at least until the time of the 1936 disturbances. In some cases, as in Petach Teksa' Arab labor is used almost exclusively....Arab labor is not employed on lands belonging to the Jewish National Fund. The agricultural settlements founded on such land are based on the principle of "self-labor", and no outside labor -- either Arab or Jewish -- is employed. In addition, there is a clause in the Jewish National Fund lease which prohibits the lessee from engaging any but Jewish labor." 88

One must consider the likelihood of exaggeration in this statement, as the Esco Foundation sounds proponent of Zionist enterprises. This apologetic attitude is best articulated in the use of the term "1936 disturbances"; this refers to the revolt of Palestinian displaced peasants and boycotted labor as disturbances to Zionist colonization efforts in Palestine). The point is that the Labor-Zionist movement could not practice its slogans without counter-productive effects; the contradictory requirements and consequences of Zionist capitalism in Palestine compelled the Histadrut (only seven years after its establishment in 1920) to organize Arab labor, in order to control it and regulate its effects on the "only Hebrew labor policy" of the Zionist movement. Another attempt by the Histadrut to mask with "socialist" rationale her non-socialist motive, is reflected in the following position as reported by the Esco Foundation for Palestine:

"...employment of Arabs in Jewish industry would lead to a class stratification in Palestine along racial lines, with the Jews acting as capitalist employers and the Arabs as workers -- thus repeating in Palestine all the abnormalities that have led to anti-Semitism in the Diaspora. By creating a higher wage standard through organization, the Jewish worker also prepares the ground for adaptation of higher standards among the Arabs. If the Jewish laborer should disappear from the market, the Arab laborers would continue at their old wage as an exploited and oppressed class. Meeting the moral argument, the Histadrut proposes collaboration with the Arab worker through the creation of