

advantage in high technology production, which is the optimal development strategy for Israel in terms of rates of profit. Israel does not pay for the training of the largest portion of its technical labor force; and training for technical skill is the most costly input in high technology production. Israeli-made high technology products thereby gain a competitive position in the international market because they can be sold for prices lower than those of qualitatively equivalent high technology products made elsewhere in central capitalism, yet with the same rates of return.¹³ This is made possible precisely because most of the training cost is not included in the cost of production of such Israeli-made commodities. This is to say that Israeli capitalists, and for that matter international subsidiaries in Israel, can realize their profits by selling their products at lower prices; and it is in this sense that high-skill labor force immigration into Israel directly provides Israel with comparative advantage in high technology production, and indirectly, with competitive position in the sphere of realization.

This advantage, however, may generate an opposite reaction. Capitalist development is nothing but a series of successive contradictions. The competitive position of Israeli-made high technology commodities on the international market may generate repercussions for the detriment of Israel. European-American countries may start to impose quotas on immigration of their scientific Jewish citizens into Israel if they become convinced that this is a factor in promoting the competitiveness of Israeli products at the expense of their own competitive position in the sphere of realization.¹⁴ In an article titled "Israel Seeking Aid for Arms Industry," it has been already reported in the New York Times (December 19, 1976) that "Pentagon