welfare and local municipal councils, generating jobs that can be most effectively (from the perspective of the ruling class) performed by local Arabs. This is similar to the semi-separatist, but neither equal nor independent self-government-oriented, policies towards blacks and other minorities in the United States. The creation of local municipal councils in Arab villages and staffing them with local community labor force does, for example, increase the representation of Arabs in the managerial/ administrative occupational category. Similarly does the separate (but neither equal nor independent) school system for the Arabs in Israel increase the latter's representation among the so-called "other professionals and technical workers", which in the case of Arabs refers, simply, to school teachers, social workers, etc., while in the case of Jews, refers mainly to sophisticated engineers, etc. This fact is revealed by a more detailed occupational structure of employment, as shall be seen later on. Third, a dramatic decline in the index of differentiation of Israeli-Jewish versus Arab occupational as well as industrial structures of employment is noticeable in the aftermath of the 1967 War. Citizen-Palestinian labor seems to penetrate a larger range of economic branches and occupational categories following the 1967 War. This change seems even more dramatic in the industrial than the occupational structures. 0ne also notices how, during the 1966 recession, differentiation between Israeli-Arabs and Israeli-Jews increases then declines during war time; which is, in turn, consistent with the point made earlier regarding the relative instability of the Arab employment structure, and also reinforces the point regarding some similarity with the history of demand for black labor