

tion and construction boom and decline in Israel; and given that 1975 represents the year in which immigration was, probably for the first time, declining in absolute and relative terms, and also exceeded by emigration from Israel; as recalled from the analysis of Israel's labor force in the seventies. In 1974, however, the year following the October War, the increased representation of non-citizen Palestinians in the construction industry is in part the result of the replacing of citizen by non-citizen Palestinian workers. While, in the meantime, citizen Palestinians are filling in gaps in services and industry caused by the long-term mobilization of Jews into the military. Unlike the quick victory and release of the mobilized labor force into their civilian posts in the aftermath of the 1967 war, in the aftermath of the 1973 war mobilization lasted long, resulting in real manpower loss and shortages.

Although 1976 labor force surveys are not yet available, one can comfortably expect a decline, or at best stabilization, in demand for construction workers from the occupied territories, unless in the form of replacement not a result of new demand in that industry. Demand for construction workers is more likely to decline in housing than in public works. One of the usual effects of the militarization of the economy (as witnessed, for example, in the economy of Massachusetts, one of the states that has comparative advantage in military production) is the stagnation of consumer-goods producing industries (housing, shoes, clothing, food industries). There is no reason for this not to apply to