force.

## IV. The Industrial Structure of Employment of Palestinians Who Are Citizens of Israel

Previously, we have shown that Arab penetration into the Jewish labor market has occurred since the early days of Zionist colonization. More importantly, we have already demonstrated how this penetration took place, despite systematic ideological and institutional impediments, in order to allow for the formation of Jewish farming and working classes in Palestine. The penetration of the indigenous Palestinian labor into the modern Jewish sector was thus limited to the extent that it did not interfere with that class formation.

The first massive penetration seems to happen during the first construction boom, beginning in the late fifties and ending in the mid-sixties, when military regulations were removed to allow for the inflow of this labor power into the Jewish sectors (recall Chapter II).

In this section we argue that the most dramatic growth in the rates of citizen Palestinian penetration into the modern labor force of Israel has occurred precisely in the years following the 1967 War, when traditional sources of Arab labor became abundantly available in the new territories captured by Israel in that war. Table K-1 provides a strong evidence in favor of this argument.

It analyzes the percentages of change in the demand for Arab labor in Israel's industrial structure of employment, not only historically during different historical phases, but also comparatively with those of the Jewish population. As the latter constitute the sovereign majority