

Arabs employed in agriculture constituted 23.9 percent of Israel's total agricultural labor force, while 18,500 Arabs constituted only 6.9 percent of the country's industrial labor force and 25,300 Arab workers constituted 28.5 percent of the entire construction labor force, 15,600 constituted only 5.2 percent of the total public and community service employees, while only 7,700 of them constituted 11.3 percent of the total personal service employees, etc., as in Table K-3.

On the level of the individual economic branch, we see, for example, that in absolute terms the additional 2,300 Arab citizens entering the industrial labor force in-between 1973 and 1975 do not even suffice to fill in the gap left by the 3,500 Jewish citizens who moved-off industry during that period. A loss of 1,200 persons in the citizen industrial labor force remains unreplaced.

The continuing decline in Jewish employment in industry may be a result of an increased productivity in high technology production, hence a decline in the demand for skilled Jewish labor, who in turn moves into public administration and defense, education, research, and scientific services (the latter might be directly linked to military-industrial production; for example, industrial research and development precisely for the furthering of industrial productivity). Between 1967 and 1976, Israel seems to maintain the fastest industrial production growth even in comparison with the most advanced capitalist countries like the United States, West Germany and Japan, as in Illustration I-G.

For further evidence on the increased share of industrial production in Israel's GNP, the New York Times (December 19, 1976) reports that in 1976 Israel arms exports were said to be \$300 million compared to \$40