

demand for Arab labor in the present phase. They also suggest further proletarianization in the long-run. They express the urge for a more direct and permanent integration of the Palestinian labor force into the Israeli-Jewish economy.

We try to demonstrate how these processes are the outcome of the essential internationalization of capital which necessarily distorts the basic character of the settler-colonial formation; being only a transitional formation.

II. Concentration of Production

A. Theoretical Background

It refers to the increase in quantity of capital under one's control; this, in turn, makes possible an enlarged scale of production and is necessarily the result of accumulation. Concentration of production in ever-larger enterprises represents one of the most characteristic features of capitalism. It is precisely the result of its own opposite feature (also essential to capitalism), competition. Concentration of production is much more intense than the concentration of workers, since labor in the large enterprises is much more productive.¹ This is another way of referring to the ratio of dead to live labor, or of constant to variable capital -- to the organic composition of capital.

In general, the greater the organic composition of capital in an industrial branch, the greater is the concentration of capital, and conversely, the smaller the organic composition of capital, the smaller is the concentration of capital. Why? "Because the smaller the organic composition of capital the less capital is required at the beginning in order to enter