

(c) The electrical industry:

In the electrical equipment industry (which in 1972/1973 included also electronics), the number of establishments decreased by 27 percent (from 340 to 247), while the number of employees increased by 161 percent (from 7,700 to 20,100). This industry, which is related directly to arms production, shows more concentration of workers. This is important, as in high technology production the human capital "engineering" component is the most intensive input.

(d) The metal industry:

The metal industry requires high-skill technical labor categories and is directly related to the arms industry; therefore, it is both a politically and economically strategic industry, and although it requires physical strength, it employs Jewish, not Arab, labor, unlike the case in other hard work; construction, for example. Though small in scale, metal establishments are capital-intensive, with high productivity and greater organic composition of capital than large-scale mass consumer goods production factories such as textile and food production, where cheaper Arab and Oriental-Jewish labor is absorbed, and it is cheaper to add more of it than to add machines. It is also consistent that metal production is owned by cooperative (Histadrut and kibbutz capital) and possibly State capital and/or State-compensated foreign capital.

In metal products industry, the number of establishments increased only slightly (1,015-1,030), while the number of workers more than doubled (12,000-26,500). By 1972/1973, in terms of its gross outputs and number of workers, the metal products industry was the second largest in the country (second to food, beverages and tobacco branch). It is, however,