Labor-Zionism, the condition necessary to the initiation of the process of exclusive Jewish capitalist formation in Palestine, was destroyed by the process itself. This is an example of the dialectics of development. Similarly, the settler-colonial social formation, transplanted once in Palestine to replace the indigenous Palestinian social formation, is increasingly urged by the requirements of its extended self-reproduction to reintegrate the remnants of the Palestinian social formation.

This reintegration is socially expressing itself in the formation of a joint social force. This is the proletariat class -- combined Israeli-Jews and Palestinian-Arabs -- who are located in the bottom of Israel's social division of labor, identically performing productive, manual and non-supervisory labor categories. Owing to their identical objective place in the production process, they share common class location and class interest. This commonality of class location and interest is a necessary material condition but not a sufficient prerequisite for an actual proletarian alliance. Two types of impediments against <u>actual</u> alliance prevail in the present:

(a) Material impediments. Central to these impediments is the internal segmentation of the proletariat subject to differential locations in the social formation as a whole, specifically in relation to the <u>State</u> <u>apparatuses</u>. This structural segmentation distorts their unifying essential antagonism as the exploited class against the ruling class objectively dictated by the commonality of their place in the production process and, instead, highlights their relatively contradictory interests as class fractions: the "super-exploited" and the "labor aristocracy",

Contrasted with these segmentations, however, are structural trans-

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