

Zionist Colonization is not "exceptional" –a Marxist viewpoint

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This article aims to challenge the rather widely accepted claim that the nature of Zionist settler colonization is exceptional¹ and even "defies appeal to any precedent that can usefully be invoked as to its evolution and eventual revolution".²

I'll focus on Machover's 2016 article, "The decolonization of Palestine"³ which is the third of a series of three articles published in *Weekly Worker*.⁴ It deals with the typology of colonial projects and its implication upon identifying Zionist colonization and the struggle for its downfall.⁵ I have chosen to critically examine this third article precisely because Machover argues that his analysis is based on a Marxist observation. On this very observation however, I establish my contrasting position, namely, that Zionist colonization is not unique. The class analysis of the colonial group itself, reveals similar features of Zionism to those of other colonial projects including apartheid South Africa with which comparisons are often made. They seek to dispossess and subdue the indigenous people and when ever needed, exploit their cheap labor for the benefit of capital. Capitalist class interests dominate the colonial states' "peaceful resolution" of the conflicts with the colonized, aiming to retain the rule of capital and in the globalized era to enable economic neoliberalism.

Machover's opposite viewpoint is based on a typology of colonial projects as follows:

He writes that shortly before the 1967 June war, the Israeli socialist organization (Matzpen), unaware of Karl Kautsky's writings on colonialism, made "what we regarded as an elementary Marxist observation", adopting in substance Kautsky's 1907 distinction between two types of colonialism, namely, the "work colony" and the "exploitative

¹ Ilan Pappé (Editor) *Israel and South Africa: The Many Faces of Apartheid*, edited by, Zed Books (2015); Moshe Machover among his other articles, *Israelis and Palestinians: Conflict and Resolution in Israelis and Palestinians, Conflict and Resolutions*, Haymarket Books, 2012, Pp 262-283

² Moshe Machover, "The decolonization of Palestine", *Weekly Worker*, 23 June 2016. Published later at Israeli Occupation Archive, August 2016 <http://weeklyworker.co.uk/worker/1112/the-decolonisation-of-palestin,16>

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Ibid, *Weekly Worker*, 23 June 2016

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The first: Colonization and the Natives, 17.12.2015 and the second: "New context, new focus 4.2.2016.

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Some of the ideas presented in this article had been presented in Machover's previous articles including the 2014 "Standing the test of time", which was strongly criticized by a number of comrades and myself. See Moshe Machover, "Standing the Test of Time," *Weekly Worker*, July 19 2012. See criticism of this article by David Walton, "Last Resort.", a letter to the editor, *Weekly Worker*, (July 26 2012) and Moshe Machover response to him: "False analogy, August 6, 2012". See also Ralph Schoenman, "Moshé Machover's Sleight of Hand," a letter to the editor, *Weekly Worker*, August 6, 2012 and Tikva Honig-Parnass, "One democratic state in historic Palestine, A socialist viewpoint", *ISR International Socialist Review on line, Issue #90* October 2013.

colony".⁶ Machover contends that Matzpen's original perspective "stood the test of time" namely, Zionist colonization of Palestine is of the "exclusionary" type- Kautsky's "working type".⁷

These two types differ according to a major criterion (which will be the target of my criticism): the question of the inclusion or exclusion of the indigenous people from the colonial economy. Thus, in "exploitation" colonization like Apartheid South Africa, the settlers established their economy upon the *exploitation* of the indispensable labor of the Blacks. On the other hand, the colonization of Palestine has been of the "exclusionary" species, similar to that of North America and New Zealand: the indigenous people were largely excluded from the Zionist economy, while "direct production – actual labor" – was performed by the settlers themselves

Machover emphasizes that the Zionist colonization was from its very beginning an exception even among the 'exclusionary' types of colonies. The economic, social and juridical conditions in Palestine made it "a far cry" from territories where 'classical' exclusionary colonization had taken place in earlier centuries. Moreover, the nature of the conflict which has been engendered in the process of Zionist colonization, was exceptional as well. It assumed the form of both a colonial and national clash: "a binary confrontation between two discrete national groups that have crystallized in and through this asymmetric collision: a Hebrew settler nation and a single indigenous Palestinian Arab people". This unique type of "a complex conjunction of a two-sided national problem" and the presumed dispensability of Palestinian labor power, determines that the route to Palestinian freedom and the resolution of the "conflict", will be unique as well.

Hence, the Zionist colonization and its Israeli state did not follow the 20th century wave of "so-called bourgeois democratic decolonization" which took place at all 'exploitative' colonies including apartheid South Africa. Due to the decisive dependency on their labor-power, the indigenous people of these 'exploitative' colonies, constituted a "potentially powerful internal force". The dispensability however, of Palestinian labor, negates the prospect of emerging social force that could lead to a similar decolonization of Palestine.[..] The route to decolonization/de- Zionization of Palestine would

⁶Karl Kautsky, *Socialism and colonial policy* (1907) – English translation: www.marxists.org/archive/kautsky/1907/colonial/index.htm

⁷See *'The Palestine problem and the Israeli-Arab dispute'*, statement by the Israeli Socialist Organization (Matzpen), May 18 1967. Reproduced in M Machover *Israelis and Palestinians: conflict and resolution* Chicago 2012, p13. Also <http://tinyurl.com/opx2quo>

I adopted this mistaken depiction of Zionist colonialism typology in my book False Prophets of Peace, Liberal Zionism and the Struggle for Palestine Haymarket Books, 2011, p.47 "Consciously and deliberately, Zionists adopted the model of pure settler colonies, following colonialist precedents set in North America, New Zealand, and Australia, where native populations were exterminated or expelled instead of used for cheap labor.

inevitably skip the Bourgeois democratic transformation which occurred in the exploitative colonies. Nor would the resolution of the " conflict" be confined to the Palestine/Israel box. The decolonization of Palestine could materialize only after a comprehensive transformation of the Middle East and as part of the Socialist Federation established throughout the region. Together with all revolutionary socialists of the region the Palestinian-Arabs and the Hebrews will struggle for the overthrow of the Zionist and Arab regimes and lead the way to a socialist federation of the Arab East.

Since Machover argues that the resolution to the Israel-Palestine 'conflict' is based on the 'exceptional' nature of Zionist colonization, I see my central task on refuting this mistaken viewpoint alone without dealing here with the resolution presumed to stem from it. As in the past, I support a resolution which is in line with a Marxist perspective⁸: Zionist colonialism and the aims of the struggle for its downfall is not different in principal from other colonial struggles. Learning from their mistakes, it should aim towards a one Democratic state in entire Historic Palestine and the Right of Return.⁹

I present below what I believe is an essential Marxist perspective which avoids the fallacy in seeing Zionist colonization and decolonization of Palestine as exceptional

Class, state and colonialism in Neo-liberal era

Marxist notions of class and production relations are the starting points for analyzing the dynamics of any society. This applies as well for a settler colonial project even at its early stage of capital accumulation and class formation. By the same token, Marxist viewpoints on the relationship between state and class is essential to the study of the capitalist settler colonial state. This viewpoint depicts the state as the organized political expression of its class structure which in turn generates the states' character. "State and class need to be seen as mutually reinforcing each other, with the latter providing conditions of existence for the first."¹⁰ Thus, seeing the economic realm as inseparable from the political sphere, should replace a prevailing erroneous approach in the study of colonialism. Namely, its focus on the colonial state's politics and ideology, assumed to generate the oppression of the indigenous people independently of the class structure within the colonial group itself. This approach plays down or even conceals the fact that this 'internal' class struggle plays a crucial role in shaping the colonial

⁸ *Ibid*, Tikva Honig-Parnass, *One Democratic State.*, 2013 reference 5.

⁹ *My opinion on the fake "Hebrew"national group who equally to the Palestinian nationalism is the creation of imperialism as well as my call for a one state, are presented at length in my article, Ibid, 2013.*

¹⁰ *Adam Hanieh, Lineages of Revolt, Haymarket Books, 2013, p.8*

policies against the indigenous people.

The essence of a colonial capitalist class is its relentless search for more and more profitable new spaces and resources. The *exploitation* of cheap labor is an important component of this structural want for profit. Already early in the colonization process, when the economy was based almost only on agriculture or home industry there was a demand for cheap native labor. Machover's depiction of North America as "*exclusionary*" is a telling example of the mistaken basis on which his typology relies. This depiction is based on the notion that because native labor was dispensable, the European settlers chose to eliminate them. In fact, however, it was not the lack of *demand* which caused them to give up relying on native labor. European settlers replaced them with African slaves because the cost of their labor was much lower than that of the natives'. Among other things, the Natives' lacked immunity to lethal diseases to which Africans were already exposed and the fact that the Indians being natives, had better knowledge of the land and people which made escape and revolt more likely to be successful. But most important was the determined, forceful and organized resistance of Native tribes which in many places succeeded in defeating the settlers and ended with treaties that allowed for the Natives to remain on their

¹¹.lands

In North America, as well as in other colonial projects, the extent of the demand for cheap labor was not a constant, fixed feature of the settler economy which was determined at the beginning of the colonial project. Like any capitalist system, the quest for the indigenous cheap labor in "*exclusionary*" colonialism as well as in the "*exploitation*" type was due to changes over time according to the fluctuations in their political and economic needs.

The drive of capital to search for profitable markets and raw material through domination of *space*, is a major characteristic of neoliberal world economy. Entire communities, who before colonization were agricultural societies, have been removed from their lands-their collective means of production- by large international companies, and with the sponsorship of the state. This has been taking place not only in the global South like India (the territories controlled by the Maoist – Naxalites, throughout Bihar, Jharkhand and Andhra Pradesh states)¹², or in less developed states like Mexico (The Chiapas region). It is also evident in the remaining "pockets" of natives within colonial advanced

¹¹See Sam Morningstar, *Why were Africans used as slaves instead of Native Americans?*, Quera, April 2, 2014

¹²Arundhati Roy, *The Heart of India is Under Attack*, *The Guardian*, 30 October 2009

capitalist states like Canada and the USA where they have been granted semi-autonomy.

Marx's notion of labor exploitation, does not fully apply to the communal, collective oppression of the indigenous People. The latter's form of dispossession is essentially different from the relations of production which takes place between the employer who owns the means of production and an individual who has only his labor to sell. As Glen Coulthard says, "It appears that the history of dispossession, not proletarianization, has been the dominant background structure shaping the character of the historical relationship between practices of Indigenous peoples and the Canadian state . . . Stated bluntly, the theory and practice of Indigenous anti colonialism, including Indigenous anti capitalism, is best understood as a struggle primarily inspired by and oriented around the question of land and less around our emergent status as "rightless proletariat".¹³

Recognizing Native land expropriation as another form of 'exploitation' by capital explains the significant role they are playing in the struggle against capitalism and colonization.¹⁴ By the same token it seems imperative to adopt this perspective for the study of the colonization of Palestine and the resistance against Zionist colonialism and Imperialism. Like in other colonial states, Palestinian peasants have frequently depended upon non-wage activities in order to reproduce themselves, such as farming of small plots of land or unpaid family labor. Hence, reducing the issue of their labor contribution to Israeli economy to "real work" alone is a fallacy.

The similarity between Zionist colonialism and Apartheid South Africa

The discussion on the nature of Zionist colonialism has often focused on the question of its similarities with Apartheid South Africa.¹⁵ As mentioned, Machover regards the settlers' demand for the colonized cheap labor as the decisive criteria for

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The introduction to Red Skin, White Masks: Rejecting the Colonial Politics of Recognition, Minneapolis: University of Minnesota Press, 2014. Quoted in [Roxanne Dunbar-Ortiz, ISR Issue #103- Winter 2016](#)

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Ibid Roxana –Dunbar

¹⁵ Ilan Pappé (Editor) *Israel and South Africa: The Many Faces of Apartheid*, Zed Books, 2015. *Ibid* Moshe Machover 2012;

estimating the nature of the two colonial models. Accordingly, Palestinian workers -
.contrary to South African Black labor- are considered mostly outside Israel economy

:The below comparison between Israel and South Africa is divided to 3 Parts

A) From Pre-1948 to early '90: Competition over labor market and class contradictions in the colonial society of Apartheid South Africa and Palestine/Israel

a1.Introduction

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C) From 1967 to Post Oslo Years- Palestinian Reserve Army of Labor

A) From Pre-1948 to early '90 : Competition over Labor

a1. Introduction

Machover deals at length with the ideology, politics and strategies during the incipient stages of the Zionist colonization, including Hertzels plans for a Jewish state and later the history of the relations between the yishuv¹⁶ political leadership and the British mandate till 1948. However, his mention of the presumed major feature of the "**exclusionary**" Zionist colonialism is rather laconic: "In the pre state period, a ban on settlers employing Palestinian Arabs was enforced by the Zionist labor leaders". Competition in the labor market is mentioned but lacks recognition of its centrality in portraying Zionist colonization as emphasized by several Israeli academics.

What is especially missing in Machover's perspective is the recognition of the emerging class structure in the Jewish society and the opposed interests of the

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The organized Jewish settler society in Palestine of pre-state Israel

Jewish embryonic bourgeois and workers regarding the ban on employing Palestinian laborers. Looking into class contradictions within the colonial society itself, reveals similarity between apartheid South Africa and Zionist colonization already before '48:

In both cases, it was the Labor party and trade unions that led the struggle for excluding the colonized from the labor market. In both, the workers fought against capitalists' employing indigenous cheap labor and in leading nationalist "Labor" parties supported the exclusion of colonized labor. As noted by Gershon Shafir, "Since large pools of low-paid unskilled workers threatened the employment of Afrikaner and Jewish workers, they sought protection in nationalist movements. The defense of a "European standard of living" [in South Africa] and "Hebrew labor" in [Palestine], became key demands of Afrikaner and Zionist nationalist movements [respectively]".¹⁷ In both countries, apartheid regimes were established in 1948: the Zionist state of Israel and the "majority rule" following the election victory of ANC in South Africa

a)2. South Africa -White Trade Unions' campaign against Blacks.

Thomas Hazlett¹⁸ opens his instructive article on apartheid South Africa with rejecting "The conventional view [which determines] that apartheid was devised by affluent whites to suppress poor Blacks." However, says Hazlett, "In fact, the system sprang from class warfare and was largely the creation of white workers struggling against both the black majority and white capitalists. Apartheid was born in the political "victory of radical white trade unions over both of their rivals

Gershon Shafir, "Business in Politics: Globalization and the Search for Peace in South Africa and Israel/Palestine." *Israel Affairs*, volume 5, 1998-Issue 2-3: *Israel: The Dynamics of Change and Continuity*, Pages 103-120 | Published online: 11 Apr 2007 <http://dx.doi.org/10.1080/135371299087195>

¹⁸Thomas W. Hazlett, *The Concise Encyclopedia of Economics, Apartheid*, 2nd edition (Year of publication isn't mentioned). Thomas W. Hazlett is a professor of law and economics at George Mason University. In 1991-1992 he was chief economist of the Federal Communications Commission"

The notion that the need for cheap Black labor following the 1871 Gold Rush gave rise to the Apartheid regime is rather a simplification- to say the least. It ignores the fact that the competition with Black workers who came from far villages to the Natal mines area opened a decades long struggle of white workers against the mines' owners and later against employers in other industrial sections. The Labor unions and South African Labor Party (SALP), were formed in 1900 and 1908 respectively, to guard against the persistent tendency of the white capitalists to employ Black workers. Like the Zionist Labor Movement and the Histadrut¹⁹ they were all white/Jewish and avowedly socialist: "Workers of the world unite, and fight for a white South Africa" was the slogan raised by white workers during their 1921 two months of bloody strike launched against the mine owners' intention to fire 2000 white workers and replace them with Blacks

The 1924 PACT Government-between the National Party(NP) and Labor Party(LP)"set an agenda of pro forma socialism". Strikes and violent conflicts with the white capitalists and the government continued .However, the government adopted discriminatory laws for the benefit of whites, using the pretext of "industrial safety " and claiming to adopt other "pro worker" measures enacted in Western democracies

¹⁹*Histadrut :an acronym for the General Federation of the Workers in Eretz Israel, was a central organ of the colonial project. As the overarching organization of workers' trade unions,it controlled key areas that were needed to accomplish the primary tasks of the Zionist colonial enterprise. These included economic production and marketing, defense, and control of the labor force, as well as creating jobs outside the free market so as to avoid competition with abundant and cheap Palestinian labor. The Histadrut thus introduced the irregular phenomenon of a "trade union" that established its own industrial, financial, construction, transport, and service enterprises.*

The final intervention of the government in the service of white labor, was the nationalization of industries which employed large numbers of Blacks. Thus the state-run railways and other huge state enterprises aimed to impose racial white preference, similar to the Jewish exclusive Jewish "strategic" industries in pre-state Israel and thereafter the establishment of the state.

The level of the assumed indispensability of Black labor fluctuated over time according to changes which took place in the economy and the white workers' fear of competition. Thus, the demand during World War II for the country's mineral exports was particularly strong and led to a large expansion of the mining and industrial sectors. This lured many thousands of new Black workers into the wage economy.²⁰ However the postwar contraction raised fears that "poor whites" would be passed by upwardly mobile Blacks which excited a radical response in the polls. By 1948 the National Party was elected to replace the past Color Bar regime with Apartheid, a newly comprehensive social policy of "separate development."

²⁰Earlier alleviation of the ban on Black labour took place during the boom in early 30'.

The 1950 Apartheid laws, the Group Areas Act (1950), and The Population Registration Act, in combination with the Pass Laws enacted earlier, achieved almost full regulation of labor power. In addition, the Promotion of Bantu Self-Government Act of 1959 implemented the policy of Cantonization and "Self Rule"- shared by most colonial projects (including Israel's policy in the West Bank). Accordingly, entire communities were brutally removed from rural areas – reclassified as “rural white areas” – to the homelands, and their lands were sold at low prices to white farmers. "From 1960 to 1994, *more than 3.5-million people* were forcibly removed from their homes and livelihoods, and moved into the Bantustans, where they were plunged into poverty".²¹

a)3. Palestine/Israel: The Histadrut fight for "Jewish Labor"

(1 Pre- state period

As mentioned, unlike non-Marxist Israeli scholars, Machover does not emphasize the centrality of the competition with Palestinian labor as a central characteristic of pre-state colonization and as a prominent factor in the economy hereafter (like in any colonial project). Thus, for example, Michael Shalev asserts²² that, due to the continued demand for Palestinian cheap labor and the absence of state power to enforce their exclusion, the political regulation of the labor market emerged as a basic characteristic of the Zionist project of state and nation-building. Moreover, as emphasized by Gershon Shafir, "From the start, competition in the labor market between the expensive Jewish and the cheaper Palestinian workers was one of the²³ "basic dimensions of the national conflict during the pre- state era

Moreover, the emerging class structure in the Yishuv the Jewish bourgeoisie, and the workers adopted contradictory positions towards employing Palestinian workers. Like in South Africa, the Labor party and the Histadrut led the struggle

²¹*Ibid, Hazlett.*

²²*Ibid, Shalev, 1992*

²³*Ibid, Shafir, 1989*

against Palestinian workers and the political regulation of labor market. "The consistent threats for the political arrangements [introduced in both countries] came from the Jewish and English business interests, especially employers who were not inclined to subsidize the Afrikaner and Jewish workers".²⁴ Employing Palestinian cheap agricultural labor continued at least until the 1936-9 "Great Arab uprising". Thus for example, in 1934, 35,000 workers were brought from Horan due to the need for additional employees during agricultural seasonal work.²⁵

The Histadrut together with the Jewish National Fund (JNF), the second institutional pillar of Zionist colonization, monopolized a section of the land and other markets and created a large, integrated cooperative Jewish sector of the economy. The JNF purchased lands for settlement and entire Palestinian communities were removed from their centuries owned lands. Palestinians were forbidden to purchase or lease those lands, nor were they allowed to work on them as employees. (These rules have lasted till the very present).

Again, like in South Africa, colonial discriminative strategies took place under the guise of Socialism and alliance with European Social Democratic movements and parties. May Day was celebrated as a public holiday in which mass parades took place, waving plentiful red flags alongside the blue-white Jewish flag, while the Zionist Labor party translated and published classic Marxist writings.

The Histadrut did not have to nationalize the small and weak industries in the private sector in order to ensure the ban of Palestinians, as did the PACT government in South Africa. It introduced the irregular phenomenon of a "trade union" that established its own industrial, financial, construction, transport, and service enterprises. The Histadrut industrial enterprises ultimately formed the core of the four great conglomerates that for decades dominated the Israeli economy and

²⁴Ibid Shafir, 1998, Page 116

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Ibid. Shafir 1989 quotes Davar, the Eretz Israel Workers Daily, August 14 1934.

Horan- A district region in the Ottoman Empire, South West of what is Syria today.

served as the nucleus of Israel's capitalist class.²⁶

Thus, a long-term division of labor was created between the Histadrut /Labor Party and the bourgeoisie. In exchange for helping to develop the weak private industrial and commercial enterprises, and for ensuring "industrial silence" in labor relations, the bourgeoisie accepted Zionist Labor's political leadership.²⁷ And of course, notwithstanding class contradictions, both the employee strata organized in the Histadrut and the middle and upper class were united around the Zionist goals of colonizing the land and building the state in-the-making.

2.From 1948 to 1966: Ethnic Cleansing and Military Regime

During the 1948 war a majority of the Palestinian inhabitants of what became Israel were ethnically cleansed. Soon after the end of the war a military government was enforced on the remaining 120,000- 150,000Palestinians in the newly established state.

The military regime fully administered their lives, including through a daily passsystem which limited mobility outside their villages and towns. It aimed to control the labor market and access to land, thus preventing the competition of cheap Palestinian workers with the mass Jewish new immigrants who flooded the²⁸ country

In December 1966, a few months before the 1967 war,the military government was

²⁶See Adam Hanieh, "From State-Led Growth to Globalization: The Evolution of Israeli Capitalism," *Journal of Palestine Studies* 32, no. 4 (Summer 2003), in which he analyzed the Histadrut's central role in developing the economy of the state, "preparing" it for the the mid-90' economic neoliberalism initiated by a Labor -led government

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Zeev Sternhell, *Nation Building or a New Society? The Zionist Labor Movement (1914–1940) and the Origins of Israel* (Tel Aviv: Am Oved Publishers 1995).Elaborating on the nature of Zionist labor "socialism" in the pre-state period.,he depicted the ideology of "Constructive Socialism," created by the Zionist Labor movement as the local version of National-Socialism—which retained the main tenets of organic nationalism within a "socialist" framework.

²⁸Sara Lazar ,*From Hebrew Histadrut to Israeli Histadrut 1948-1966* in.bgu.ac.il/bgi/iyunim/10/14.pdf

abolished. By then most of the Palestinian lands were expropriated and Jewish settlements-Kibbutzim and Moshavim were built on them, resulting in Jewish total control of agricultural production. A number of Basic Laws assured the massive land confiscation as well as other aspects of the Apartheid nature of the state

These laws are comparable to South Africa's laws of the 1950s as stated by Saree Makdisi: "Every single major South African apartheid law... has a direct equivalent in Israel today"²⁹ Thus for example two laws mentioned by Makdisi which were the pillars of South African Apartheid included the Population Registration Act of 1950 (which assigned to every South African a racial identity according to which s/he had access to a varying range of rights, and; the Group Areas Act of 1950, which assigned different areas of South Africa for the residential use of different racial groups. Both have a direct equivalent in the Basic laws of Israel in which every citizen of the state has a distinct national identity upon which various fundamental rights – like access to land and housing are attendant. These include the Law of Nationality and Entry 1952, the Law of Return -1950 as well as the articles in the Basic Law Israel Lands, enacted in 1960.

With the accelerated development both in agriculture and in industry, especially after the 1967 war, the ban on Palestinian citizens labor could no longer be maintained. It created an ever increasing demand for a cheap,

mobile and under-privileged labor force. They became "a decisive factor in the major sectors of the Israeli economy: in the construction sector, agriculture and various other industries. Thus for example the public construction sector owned largely by the Histadrut giant Solel-Boneh, relied almost exclusively on Palestinian manual labor. Immanuel Farajun notes that "The accelerated

development of the Israeli economic infrastructure and the large capital investments

²⁹Saree Makdisi, "A Racism Outside Language: Israel's Apartheid," *EATURES* 473 (March 11, 2010).

during the years 1967-1973 would never have materialized without Arab labor, and particularly workers from the new occupied territories".³⁰

B) South Africa and Israel-PLO Peace Agreements)

b)1. Introduction

Both the Israel-PLO agreements and the electoral transference of power in South Africa took place after extended periods of economic stagnation. The peace agreements were required for mitigating the sanctions and boycotts and the continued resistance which threatened to impede the full integration of both economies into the globalizing world economy. In both countries important segments of the business community played equally prominent role in the efforts to achieve peaceful resolution to the conflict.³¹ The changes in social relation formation cultivated a collaborating indigenous middle class who supported the aims of the agreements, namely to perpetuate economic neoliberalism and the rule of local and global capital

b)2. South Africa 1994 Agreement - Non revolution

³⁰Emmanuel Farajun, *Palestinian Workers, A Reserve Army of Labour in the Israeli Economy July 1979*. Originally published in Hebrew by The Israeli Socialist Organization (MATZPEN) in "*Dapim Adumim*" ("Red Pages"), no 5, May 1978. In English see [ARTICLE](#) *Palestinian Workers: Introduction – Emmanuel Farajun, FORBIDDEN AGENDAS, KHAMSIN 7, 10 JULY 1980*

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Gershon Shafir, *Business in Politics: Globalization and Search for Peace in South Africa and Israel/Palestine, Israel Affairs*, Volume 5, 1998- Issue 2-3: *The Dynamics of Change and Continuity*, Pages 103-120 | Published online: 11 Apr 2007 <http://dx.doi.org/10.1080/135371299087195>. Shafir notes that despite differences between the business communities of Israel and South Africa, they share some remarkable similarities that led significant sectors of the business communities of both countries to mobilize for peacemaking.

By the end of the 1980s, South Africa was in the longest recession in its recorded history. Falling profitability in key economic sectors coincided with the upsurge of black discontent and a long period of political and socio-economic upheaval from Soweto in 1976 onwards. The profitability crisis was worsened by international sanctions and boycotts, which in addition to other troubles, contributed to substantial outflows of capital.³² Widening sectors of the capitalist class realized that doing away with the fettering apartheid regime was an essential condition for revising economic growth and modernity. The ANC/SACP was rightly considered a most suitable partner for implementing this vital transformation while retaining economic neoliberalism and accelerating market-led restructuring and deregulation:"Business leaders also knew from, among other things, private discussions they held with ANC leaders in the 1980s and early 1990s, that the liberation movement had little desire to upset capitalist social relations. Indeed, this was obvious to anyone with any knowledge of the ANC's own evolution", say³³.Ferguson and Jones

The ANC was never anti-capitalist.Their determined struggle against the Apartheid regime and the fake socialist discourse led by the Stalinist SACP was misinterpreted as signifying a radical positions on social economic issues as well. In fact, the ANC was always a moderate reform movement dominated by the emergent nascent Black middle class.A part of them developed towards the 90' into thin layer of Black capitalists.Thus, after the fall of the Soviet Union they explicitly adopted a market ideology which made them the best option for implementing white capitalist plans for economic restructuring : "Everyone agreed that the interests of capital could best be served by a moderate black regime. Such a government could contain and co-opt working class discontent far more effectively than the increasingly shaky and

³²Philip Ferguson and Sharon Jones, "South Africa's Non-evolution, republished in *Red Line, Contemporary Marxist Analysis*, July 6 , 2012

internationally discredited apartheid regime".³⁴ And indeed, in power the ANC proved to be a most capable instrument in implementing whites 'business elite interests which led to the 1994 agreement. At the same time, they also advanced their own class interests by organising the access of black business people to domestic as well as foreign capital. Rightly Furgeuson and Jones conclude:"The preservation of the old state apparatus[...] is a clear sign that no revolution of any sort has taken place in South Africa. What has happened is a readjustment of the political forms which guarantee the exploitation of black workers".

b)3. Israel-PLO Oslo Agreement–Non Peace

Indeed as mentioned, the economic and political concerns which brought about the Israel- PLO Agreement were essentially similar to those which led to the South African "peaceful resolution". However, here the US was the major partner who determined its substance, aiming to create the .adequate conditions for implementing the US neoliberal plan for the Middle East

Since 1967 Israel has become a strategic asset for enforcing US interests in the region - largely to control the access to its vast supplies of oil. This implied the need to repress the ongoing resistance by the masses of different political and social movements both against the authoritarian Arab regimes .and Imperialist powers headed by the US

As noted by Toufic Haddad:"The undemocratic basis of these [Arab] regimes and the existence of various competing 'radical' traditions in the region leftists , Pan-Arabists, and Pan-Islamists, always meant the system was perpetually unstable and could quickly change.It is within this context that the US came to recognize Israel as strategic 'trump card' to this agenda after the latter's 1967 defeat of
³⁵ ."pan-Arabist leader Jamal Abdel Nasser

The Palestinian 'Issue' has been a prominent component in the continued structural instability of US :allied Arab regimes

the question of controlling,managing and possibly liquidating the aspirations ofPalestinian"[..] national self determination acquired significant strategic value for the US, as it was tied to both wings of its imperial strategy: the political,nationl,geographic,cultural, historical and moral bonds between

³⁴ *Ibid*

³⁵ *Toufic Haddad, Palestine LTD. Noliberalism and Nationalizm in the Occupied Territory,I.B. Tauris &Co.Ltd. 2016, P.38.Haddad refers to Samir Amin,2004 and Gilbert Aschar, 2004*

the Palestinian people and the Arab periphery, continually re-raised the various forms of western imperial subjugation of the region. Equally so, Palestinian resistance to Israel's settler colonial presence never *ceased* despite the ethnic cleansing of 1948, and the successive waves of their displacement".³⁶ Like the Blacks' uprising in South Africa, the 1987-93 Palestinian Intifada played a .decisive factor in accelerating the process towards Oslo Agreement

Thus, the Israeli-Palestinian 'conflict' was a stumbling-block on the way to mobilize the Arab states to the US imperial neoliberal plan for the Middle East. Reaching a "peace settlement" was a condition for the aspired "normalization" of Israel-Arab states relations. Israel's capitalist elite, linked, to the Labor Party who had introduced neoliberal policies in 1985, were active partners to the plan. Their need for open markets and integration within global capital had been prevented by the Arab .boycott which was assumed to end following the Oslo Agreement

A necessary element in the US imperial plans was the need to nurture a Palestinian leadership who was willing to supply a "Green light" for the "moderate" Arab regimes, to end Israel's isolation. Here, Like in South Africa, a leadership of the liberation struggle, shared a "peace" settlement which ensured the continued rule of local and global capital. In exchange, the colonized were granted forms of political rule which served as a tool for repressing resistance to and cooperating with .neoliberal strategy

Oslo opened the way for creating one Zionist economic , military and political regime, throughout entire Historic Palestine, where the PA acted as a sub contractor. Thus, a class structure has been evolving, in which Palestinian labor is exploited either directly by Israeli capitalism and its state or indirectly through the totally dependent PA and Palestinian business elite.

³⁶ *ibid*

C) From 1967 to Post Oslo Years- Palestinian Reserve army of Labor

The 1967 war resulted in the accelerated economic development of Israel, both in agriculture and in industry, creating an ever increasing demand for a cheap, mobile and under-privileged labor. This role was filled by the Palestinian workers, including both residents of the 1967 occupied territories, and Palestinian citizens just starting to flow into the market in large numbers.³⁷

Israel's policies of de-development and its massive seizure of Palestinian lands and resources aimed at the destruction of the agricultural sector, turned a large portion of rural Palestinians to a source of cheap, highly exploited labor for Israel's economy. Together with the abundant employees by the dependent PA, Palestinian workers have been prey to both 'direct' and 'indirect' exploitation. That is, by Israeli capitalists and the Israeli state, and by their proxies- the PA and its dependent business elite.

The Israeli economy's expansion following the '67 war, was dubbed "the Palestinian boom". By mid-1980's the Palestinian workers from Gaza and the West Bank made up to 7% of Israeli labor force half of them working in the construction industry- a vital sector that was at the core of Israel capitalist class, composed of large conglomerates tied to the state, private capital, and ³⁸ "the labor Zionist movement

However, since Oslo and the establishment of the PA, Israel gradually replaced the '67 Palestinian labor force with hundreds of thousands foreign workers from Asia and Eastern Europe. Thus, the Israeli economy no longer relied heavily upon the 'direct' exploitation of cheap Palestinian labor as was in the 80's. Instead of

³⁷*Ibid*, Emmanuel Farajun

³⁸*Ibid*, Hanieh, p. 105

working within Israel, Palestinians became increasingly dependent on public sector employment with the PA or transfer payments made by the PA to families of prisoners martyrs or the needy. Also the other major area of employment the private sector, particularly in the services sector, was almost entirely dependent³⁹ on the PA

Hanieh notes that "this substitution was partly enabled by the declining importance of agriculture and construction as Israeli economy shifted away from those sectors of the economy towards high-tech industries and exports of⁴⁰ "finance and capital

Thus, between 1992 and 1996, Palestinian employment in Israel declined from 36.2 percent of the West Bank/Gaza Strip total Labor force to 14.9 percent. However between 1999 and 1997 an upturn in the Israeli economy saw the number of Palestinian workers increase to approximately pre-1993 levels. " As these changes proceeded apace", Hanieh notes, Palestinian labor became a tap that could be turned on and off, depending on the economic and political situation and the needs of Israeli capital".⁴¹ These have come to constitute a disposable "reserve army of⁴³ labor" for Israeli capitalism⁴² together with Palestinian citizen labor

Karl Marx used the "reserve army of labor" term to depict the presence of a large pool of workers living a precarious existence as one of the basic characteristics of Capitalism. Fred and Harry Magdoff explain, "this surplus- laboring population is not only the lever of capitalistic accumulation, but a condition of existence of the capitalist mode of production –a disposable industrial reserve army, that belongs to capital quite as absolutely as if the latter had bred it as its own: More than an underlying attribute of capitalism, the reserve army helps to keep costs down—permitting the market system to function profitably—and serves as a

³⁹Hanieh, P. 109...

⁴⁰Ibid, Hanieh, P.109

⁴¹ Ibid

⁴²Ibid Hanieh, Headline of subchapter : "A Disposable Reserve Army of Labor, P. 109 (relates to '67 workers)

⁴³ and Ibid, Farajun, Headline of Introduction: "Palestinian Workers, A Reserve Army of Labor in the Israeli Economy" (relates to both Palestinians in Israel "proper" and in the '67 territories)

constant and effective weapon against workers."⁴⁴ By the same token, in a colonial situation the indigenous people who are dispossessed from their lands or those who joined the existing "classic" exploited working class, constitute the reserve army of both the colonized and the colonialists' labor.

Workers are to some extent disposable in any capitalist system including that of a colonial project— be it of the "exclusion" or the "exploitation" type. The very concept of reserve army implies fluctuations in the rate of workers who are indispensable to the economy. Changes in the weight of the demand for indigenous cheap labor, throughout the years of Apartheid South Africa and in Palestine, before and after the '67 occupation. Moreover, at any given time a colonial regime may employ, in different proportions, both exclusion and exploitation measures toward its colonized workers which from the very earlier stages of capitalism play the role of a Reserved .Army of labor

I am thankful to Adam Hanieh whose book "Lineages of Revolt" has been a telling resource for many .of the ideas presented in this article

⁴⁴[Fred Magdoff and Harry Magdoff, Indispensable Workers: Today's Reserve Army of Labor, Monthly Review Volume 55, Issue 11 \(April\) 2004](#)