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Exploitation and Perpetuation of the Israeli Occupation by the Arab States: A Historical Political Economy Perspective

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Chapter 1 - Introduction

Arab national identity has consistently been transformed by what it opposes. Initially conceived as the negation to the Ottoman imperial project before being endowed with new life during the struggles of liberation against the European states during the first half of the twentieth century, Arab nationalism has both been created by and fueled conflict within the Middle East. One such antagonism that has played a formative role in the modern conception of a collective Arab identity is the oppositional stance towards Israel.[1] Confronting Zionism, since the commencement of the mass migrations and the appropriation of land in historical Palestine, has been an essential ideational component in the national psyche within the states that found independence during the wave of de-colonization that took form in the middle of the twentieth century, as well as in the supranational conception of the 'Arab world'.[2] Though there has been some dampening of the commitment to opposing Israel, there is still maintenance of some level of Palestinian support evidenced by the persistent lack of formal peace and recognition by the majority of the states within the Arab League, as well as the League's continued public stances.[3] In this sense, Arab national identity possesses a distinctive character. It is quite rare to find

[1] This opposition has historically been propelled individually by a number of Arab statesmen and has been reified in the Arab League Boycott of Israel in 1945, the United Arab Republic Charter of 1962, the Khartoum Resolution of 1967 and the OAPEC oil embargo as part of the 1973 war. For more on the ways in which continued opposition to Israel was formative in the political mobilization of a collective Arab identity, see: Adeed Dawisha, *Arab Nationalism in the Twentieth Century* (Princeton, N.J.: Princeton University Press, 2003).

[2] The term Zionist for the purpose of this analysis is used in reference to the movement for the establishment of a Jewish homeland in Palestine. This movement began prior to the official establishment of the Israeli state in 1948 and hence, since this analysis will interact with these territories prior to that establishment of statehood, the term "Zionist occupation" will be employed. For the evolution of Arab nationalism in opposition to the Zionist movement, see: Rashid Khalidi, ed., *The Origins of Arab Nationalism* (New York : Columbia University Press, 1991), 17.

[3] "Arab League head warns no Mideast peace deal without Palestinian state" *Reuters*, June 17, 2019. https://www.reuters.com/article/us-israel-palestinians-arabs/arab-league-head-warns-no-mideast-peace-deal-without-palestinian-state-idUSKCN1TI1QP ; "Arab League formally rejects U.S. policy shift on Israeli settlements" *Reuters*, November 25, 2019. https://www.reuters.com/article/us-israel-palestinians-arab-league/arab-league-formally-rejects-u-s-policy-shift-on-israeli-settlements-idUSKBN1XZ29E

elsewhere in the world a feeling of obligation that is embedded in multiple political territorial entities to oppose a specific state.[4] To be Arab is to oppose Israel or, as was declared in the Charter for National Action of the United Arab Republic in 1962: "The determination to end the Israeli aggression on the land of Palestine is a determination to eliminate a dangerous pocket of imperialist resistance to the Arab struggle."[5] Hence the conflict that has been so central to the region has rarely been analytically divided into individual wars between single states but rather as an encompassing totality defined as the Arab-Israeli conflict. That allotted title is once again indicative of the exceptionalism that is created discursively when conceptualising the relation between the 'Arab world' and Israel. A point is being reached where it is arguable that two events within the same supposedly extended conflict are temporally separated by almost an entire century. Thus large conceptual homogeneous units become central to understandings of the conflict: a temporal moment comprised of numerous decades and a nebulous bloc of Arab states pushing against a monolithic Zionist force that perpetually repels this joint onslaught.

But a thorough historicization of these relations allows for the identification of changes within the landscape and distinctive moments. Two different Arab states (Egypt and Jordan, as well as the Palestinian Authority) have officially altered their public opposition to Israel through recognitional agreements. The formal Arab League boycott of relations with Israel has informally ceased to exist. A peace process is said to have been birthed, killed, resurrected and then killed again. Clearly there are dynamics that exist beyond the mere antipathy between these

[4] In the majority of situations in which this exists, it is in response to a hegemonic imperial power, such as collective opposition to the Soviet Union or Yugoslavia or the aforementioned Ottoman Turks. The distinction in this scenario is the collective Arab belief that Israeli violation of Palestinian land is an affront to all Arabs. Opposition to Israel extends spatially into areas such as Western North Africa that have been untouched by Israeli military occupation. For more on such opposition, see: Michael Laskier, "Israel and Algeria amid French Colonialism and the Arab-Israeli Conflict, 1954-1978", *Israel Studies*, 6, No. 2 (2001), 1-32.

[5] Alan Horton, *The Charter For National Action of the UAR* (Cairo: 1962), 19. http://www.icwa.org/wp-content/uploads/2015/09/AWH-5.pdf

two actors. Too often analyses of the issue revolve around the Israeli state and the Palestinian people as the two primary architects with the different Arab political actors being identified as secondary or tertiary contributors to the collage. But such a framework is entirely disorientated and thus any conclusions emanating from it will either be insufficient or obstructive. The primary purpose of political analysis should be to uncover the loci of power and provide clarity to their inner mechanisms. Arguments that place the Palestinian people at the centre of the analysis do so in bad faith, not as a method of emphasising their struggle but as a tool to appropriate blame for their continued subjugation. The regional centers of power cannot be found in Gaza and the West Bank in which even the primary requirements to any form of internationally recognised sovereignty are absent. Thus a new conceptualization is needed, one in which the dominant players are those who at the very least can make a claim to the backing of a state. This starting point acknowledges the centrality of the Arab actors to this conflict.

Once that centrality is established, a new question arises: what is the role of the Arab actors in the conflict? Most analyses take Arab opposition to Israel as a given. There can be no doubt that these states have been quite meticulous in cultivating this image of opposition as well as solidarity with the Palestinian cause.[6] The majority of the scholarship thus takes this stance at face value and continues from this point of departure. But again, through a simple inspection of where power (political and economic) lies in the Middle East, an intuitive level of skepticism emerges. It is quite notable that the abundance of certain resources in the Middle East has

[6] "Sisi says Egypt will not accept anything against Palestinian wishes" *Reuters*, June 2, 2019. https://www.reuters.com/article/us-usa-mideast-egypt/sisi-says-egypt-will-not-accept-anything-against-palestinian-wishes-idUSKCN1T30SP ; "Palestine 'dear to the hearts of Arabs', Saudi envoy tells UN" *Arab News*, October 24, 2019. https://www.arabnews.com/node/1573481/saudi-arabia ; "Qatar FM: Palestine is the core of all Arab issues" *Middle East Monitor*, September 12, 2019. https://www.middleeastmonitor.com/20190912-qatar-fm-palestine-is-the-core-of-all-arab-issues/ ; "Jordan's Abdullah: Israel imposing an 'unthinkable situation' on Palestinians" *The Times of Israel*, 15 January, 2020. https://www.timesofisrael.com/jordans-abdullah-israel-imposing-an-unthinkable-situation-on-palestinians/

provided several states considerable relevance in the global political economy. The Gulf Cooperation Council plays a fundamental role in the circulation of capital globally and the beneficiaries of the GCC's positioning have accrued enormous wealth as a result. Moreover, that wealth has frequently been transformed into "hard power" through defence spending more aggressively than in any other area of the world with military expenditure as a percentage of Gross Domestic Product of the "Arab World" equalling 6.2% as of 2016 in comparison to the global average of 2.2%.[7] Additionally, relations between the wealthiest and the most heavily militarised Arab states are almost unanimously publicly acknowledged by the United States as strategic allies and essential regional partners.[8]

When all that is considered, one might become inclined to posit why, despite the supposed backing of these states, a resolution of the conflict has not been reached. That is not to say that there is consensus among Palestinian demands, there are various facets to Palestinian resistance. Statehood and self-determination are the most prominent of these aspirations, in the sense that they are discussed and even occasionally endorsed on the international stage. However, statehood is not a monochromatic issue and even the mild implementations of a supposed path to statehood that are being applied are highly criticised.[9] The larger point is that the realisation of this abstract demand for statehood has not taken place. Rashid Khalidi predicted that "(C)ertainly the aspirations of the Palestinians to live as a sovereign people in their own land are likely to be further denied, for a time at least and perhaps lastingly. Their ability to

[7] "Military expenditure (% of GDP)," The World Bank, last modified March 29, 2018, https://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS

[8] The emphasis on the relationship with the United States is due to their presence on the UN Security Council, particularly when considering the history of American vetoing of resolutions pertaining to the conflict. See: Saliba Sarsar, "The Question of Palestine and United States Behavior at the United Nations", *International Journal of Politics, Culture, and Society*, 17, no. 3 (2004), 457-470.

[9] Raja Khalidi and Sobhi Samour, "Neoliberalism as Liberation: The Statehood Program and the Remaking of the Palestinian National Movement," *Journal of Palestine Studies*, 40, no. 2, (2011), 6-25.

exercise sovereignty in the context of a viable independent Palestinian state may well have been closed off permanently by the success of Sharon's program, materially abetted by the collusion of the Bush administration over six crucial years."[10] The prediction has largely been proven to be true and that is without taking into account the other aspects of Palestinian resistance that have not materialised.[11] This leads me to the primary hypothesis of this research, and this will be elaborated on extensively in upcoming chapters, is that the Arab states' desire to support the Palestinians is largely opposing their direct interests due to the numerous profit-creating opportunities that the conflict provides. The Arab states have, either by entrenchment of Israeli state power or disenfranchisement of the Palestinian political movement, played an active role in the perpetuation of the Zionist occupation.

Prior to extrapolating on the central questions of this analysis, however, it is crucial to identify the cases on which this analysis will focus. This analysis will not operate on bilateral lines or solely focus on the relationship between two or more states along an extended chronology. Instead it will be conducted in different moments and it will interrogate the essential elements that defined regional exploitation and perpetuation of the conflict within these moments. Additionally different states will be emphasised in these different moments in order to address the shifting regional dynamics of power. Adequately identifying the loci of power in the Palestinian-Israeli conflict is among the objectives of this analysis and placing hegemonic

[10] Rashid Khalidi, *The Iron Cage: The Story of the Palestinian Struggle for Statehood*, (Boston, Beacon Press: 2006), 260.

[11] These include the right of return, the cessation of settlements, the dismantling of apartheid laws pertaining to taxation and land ownership, the obstacles to the entry and exit of commodities in and out of Palestine, the exploitation of Palestinian labourers who work within the Green Line among others. For more on the demands of Palestinian liberation, see: Presented by Sari Nusayb, "The Palestinians' Fourteen Demands" *Journal of Palestien Studies*, 17, no.13 (1988), 63-5. ; Mazin Qumsiyeh, *Popular Resistance in Palestine: a History of Hope and Empowerment*, (London: Pluto Press, 2011). For more on the struggle employed in achieving these goals, see: Yezid Sayigh, 'Armed struggle and state formation', *Journal of Palestine Studies*, 26, no.4, (1997), 17-32.

powers (or powers contesting hegemony) in the centre of this work is fundamental. Therefore the first case will examine several blocs with state-building aspirations in the twilight of British empire and interrogate how these blocs interacted with two seminal moments in the conflict: the 1936 Arab Revolt and the War of 1948. The following period is quite straightforward in the sense that the Palestinian territories of Gaza and the West Bank were under direct administration of Egypt and Jordan respectively, and hence an analysis of these administrations will be conducted. The rest of this work will shift and focus specifically on the Gulf's relationship with the conflict, firstly through interaction with the displaced Palestinian diaspora and secondly through its relationship with Israeli militarism. The Gulf, and specifically Saudi Arabia, has been centred in this analysis due to their status as purveyors of American regional hegemony and for their unparalleled capacity to mobilise economic resources for political ends.[12]

Questions and Hypotheses

This finally leads to the central question of this analysis: how have the Arab states realised political and economic utility from the extension of this conflict and how has their behaviour in the materialisation of these opportunities led to the extension of the conflict? The question is not one that has often received direct attention. Moreover, when examined, the agency of the Arab actors is usually downplayed as they are portrayed as simply reactive to external circumstances. But the literature, despite its limitations, actually identifies an array of ways in which these states have benefited from the occupation. If they play some part in maintaining the cycle which has

[12] For an analysis of American imperial endeavours in the Middle East and the deployment of Gulf capital as a method of hegemonic consolidation, see: Adam Hanieh, *Lineages of Revolt: Issues of Contemporary Capitalism in the Middle East* (Chicago: Haymarket Books, 2013).

devastated the Palestinians, and I will argue they are, then uncovering the underlying motive forces of their actions becomes fundamental in articulating a more lucid approach to one of the most pressing humanitarian crises of our current moment.

Using the aforementioned primary question of the analysis, there needs to be some derivation of subsidiary questions by which the research can be broken down. The first question is: what are the prospective political gains that can be procured from the state of conflict in the Palestinian territories? There are forms of political capital that are mined from utilisation of the conflict, both domestically and internationally. The perpetual state of conflict constantly allows for exceptional political measures to be employed. The concocted image of the Israeli enemy, and the threat of the spillover of political violence resulting from the occupation, have been relentlessly invoked by the Arab states as a method of shifting the discourse.[13] The following question is: are there economic benefits that are realised from the empowerment of the Israeli state and the marginalisation of the Palestinian people? This question has to be posited due to the choice of framework (see the section on framework). Understanding the full scope of the benefits derived from the conflict has to be established and hence an inquiry into the potential economic gains is quite an obvious consequent step. There is sufficient evidence of the positivity of that claim and with there being a considerable literature devoted to the ways in which profits are realised inside this conflict (see the review of the political economy literature), then it stands to reason that other actors may also benefit. Opportunities for accumulation are regularly being realised in the sectors of energy, arms, reconstruction and technology.[14] In previous decades, the

[13] Hassan Barari, *Israelism: Arab Scholarship on Israel, a Critical Assessment* (Reading: Ithaca Press, 2009), 105.

[14] Ray Bush and Habib Ayeb, eds., *Accumulation by encroachment in the Arab Mashreq* (London: Zed Books, 2012), 45. ; Hannes Baumann, "Lebanon's economic dependence on Saudi Arabia is dangerous", *The Wahsington Post*, last modified December 7, 2017, https://www.washingtonpost.com/news/monkey-cage/wp/2017/12/07/hariri-is-back-as-lebanons-prime-minister-heres-how-saudi-economic-influence-still-shapes-lebanese-politics/?utm_term=.9f549c179905 ; "Israel's drone dealers", *Al Jazeera*, last modified

dispossession of the Palestinian people also allowed for the acquisition of value, both in the forms of land (and all that entails in the economic sense) and labour.[15]

The third question is whether or not there is a history of cooperative measures between the Arab states and Israel or Israeli factions. If so, what is the nature of this cooperation? This question is intended to identify prospective alternative motives to the actions of the Arab states in the larger conflict. Moving away from a conception of a regional politics in which opportunities for political and economic aggrandisement come to be by happenstance, this analysis seeks to identify the agency in the creation and exploitation of these opportunities. Since this analysis is functioning with a skepticism of public stances, scrutiny of actual political behaviour is integral. There is a substantive quantity of instances of direct cooperation that indicate that there is a more functional relationship between the two parties than is often depicted. Security cooperation has actually been noted quite vigorously in the literature. Economically, however, very little has been articulated with regards to the ways in which Israel functions as part of the regional economic structure. This is largely due to the performative boycott that, in reality, has quite consistently been circumvented through a variety of techniques.[16] Moreover, there is a substantial history of diplomatic offerings between the states in question and Israel that made no note of resolving any of the foremost political ambitions of the Palestinians (e.g. establishment of statehood and right of return).[17] And this culminates in the

May 01, 2014, https://www.aljazeera.com/programmes/peopleandpower/2014/04/201442911431250545.html?xif=.

[15] Antoine Zahlan and Rosemarie Zahlan (1977). "The Palestinian Future: Education and Manpower" *Journal of Palestine Studies* 6(4), 104. ; Mark Zeitoun, *Power and water in the Middle East : the hidden politics of the Palestinian-Israeli water conflict* (New York: I.B. Tauris, 2008).

[16] Martin Weiss (2017). "Arab League Boycott of Israel" *Congressional Research Service*, 4. ; "The Badly Kept Secret of Israel's Trade Throughout the Muslim World" last modified January 19, 2012, https://www.haaretz.com/israel-news/business/1.5167882

[17] Noam Chomsky, *The Fateful Triangle: The United States, Israel & the Palestinians* (Massachusetts: South End Press, 1999), 134.

final question: with three previous questions in mind, is there enough to establish culpability of the Arab states in the perpetuation of the Israeli occupation? This is the most ambitious objective aim of this analysis; to attempt to reconfigure current conceptualisations of the role of the Arab states in the conflict. With there being such a plentitude of benefits that they are capable of accruing from the stasis of the situation, in addition to the measures of collaboration that have been undertaken, the claim will be posited that they are directly active in its perpetuation.

Literature Review

The literature pertaining to this topic can be divided into three categories.

The first includes scholarly work that directly attempts to answer the same analytical questions that I will be using in my analysis. Within this bracket are two distinct sub-categories. The most prominent of which is the strategic studies perspective which, for the most part, does not entertain anything beyond the sphere of states. The second is distinct for making a more concrete theoretical link between the realms of international policy and domestic politics. Neither sub-category provides a particularly substantive answer either due to analytical blind spots or to a lack of theoretical rigour.

Beyond this first general category lies two more strands that do not directly engage the questions but heavily interact with the same concepts while utilising analyses that overlap with mine both spatially and temporally. The first strand of scholarship is that of the critical history of Israel, both from the revisionist school and the more contemporary Palestinian authorship on critically historicising the Israeli state. It is important to note that this school is most pressingly concerned with Israel and the Zionist movement. Excluding the actual Palestinians, the Arab actors are, despite moments of prominence, largely peripheral. Nevertheless, the commitment to

approach the general situation through a critical lens makes it essential in establishing my own critique.

Finally, the last theoretical perspective that I will discuss is that of political economy. The political economy texts are exceptional in that even when centralising the analysis towards a single state or a certain group within society, interlinkages domestically and internationally are still explored. The frameworks of political science that posit that singular actors can be analysed independently of global social forces do not spill over into political economy and the role of the Arab states is always integral to the analyses of the political economies of Israel and Palestine.

Realism, Strategic Studies and the State

The strategic studies approach, which is nominally associated with a realist international relations framework, to this question is extremely pervasive both in academic and policy-making circles. It is, for the most part, internally consistent and thus all its iterations tend to be extremely homogeneous. Despite that, the primary theses of this framework are regurgitated with extreme frequency despite there being very little to be added in terms of analysis. Effectively the entire idea behind these studies can be summarised with the phrase "state security". Arab cooperation (particularly that of the Gulf Cooperation Council) with Israel is constantly expressed through the lens of shared security threats and their relationship has organically developed since "Israel and the Sunni Arab states have the same enemies—the Iranian regime, Syria's Assad regime, Hamas, and Hezbollah—and, as the Arabs have said since ancient times, 'the enemy of my enemy is my friend.'"[18] The relationship is consistently described as one born of pragmatic

[18] Michael Totten (2016). "The New Arab-Israeli Alliance" *World Affairs* 179(2), 31.

necessity, a compulsion conceived due to the regional balance of power. Ruptures in the decades-long Arab League policy of dealing with Israel have started taking place among several of the member states.[19] Rabi and Mueller effectively summarise the thesis of this school when they describe the GCC as possessing "a strong interest in a resolution to the Israeli–Palestinian conflict, viewing it as a long-sought bridgehead to regional stability. Like most of the Arab world, the GCC leaders did not view Israel as a legitimate state but believed that the goal of a Middle East without Israel was unrealistic."[20] Reaching a resolution to the issue is seen as a way of being able to shift the strategic focus entirely to greater security threats than Palestinian insurgency, such as Iran and The Islamic State, particularly with the turbulent conditions established by the Arab Spring.[21]

The primary insufficiency in these analyses lies in the complete absence of an examination of the processes and relations that are not given public prominence. Formal postures and diplomatic engagements are taken at face value, and thus so much of the literature is dedicated to scrutinising every public act without really identifying the underlying propulsions of these acts. Even with Egypt, who already signed a peace accord with Israel, the relation has been characterised as transforming from 'cold peace', one of necessity, to a 'strategic peace', one of

[19] Uzi Rabi, "Qatar Relations with Israel: Challenging Arab and Gulf Norms," *Middle East Journal* 63, no. 3 (2009): 444– 7. ; Hady Amr, Ian Lustick, Riad Kahwaji, Chas W. Freeman, Jr. "New Approaches to Israel-Palestine Peace: Can Regional Powers Make a Difference?" *Middle East Policy* 24, no. 2 (2017), 5-32 ; Itamar Rabinovich, *The lingering conflict: Israel, the Arabs, and the Middle East, 1948-2012*, (New York: Brookings Institution Press, 2012) ; Shmuel Sandler, "The Arab Spring and the linkage between Israel's domestic and foreign policies" in *The Arab Spring, Democracy and Security : Domestic and International Ramifications* ed. Efraim Inbar (London: Routledge, 2013), 128-144. ; Efraim Inbar, "The Strategic Implications for Israel" in *The Arab Spring, Democracy and Security : Domestic and International Ramifications* ed. Efraim Inbar (London: Routledge, 2013), 145-165.

[20] Uzi Rabi and Chelsi Mueller (2017). "The Gulf Arab states and Israel since 1967: from 'no negotiation' to tacit cooperation" *British Journal of Middle Eastern Studies* 44(4), 583.

[21] Philipp Amour, "Israel, the Arab Spring, and the unfolding regional order in the Middle East: a strategic assessment" *British Journal of Middle Eastern Studies* 44, no.3 (2017), 293-309.

shared security interests.[22] Guzansky, in spite of his utilised framework, recognises the benefits of contradictory public and private stances stating that "The Arab monarchies in the Gulf are currently benefiting from the fact that covert, unofficial relations allow them to enjoy the advantages of ties with Israel without having to pay a price in public opinion, which has become more vocal since the outbreak of the Arab Spring."[23] And yet despite this, declarations of enmity prior to the contemporary moment are still treated as sincere while moments of cooperation are treated as either accidental or obligatory, largely with an emphasis on strengthening security and reducing conflict.[24] It is the theoretical limitations of a framework that understands power, and by extension security, as the only currency of global politics that leads to such facile analysis. Wealth is completely disregarded as something that is inherently interconnected with power. How Gulf states, whose only regional or global relevance stems from their access to oil, natural gas and the money they receive from these exports, can be analysed without any sort of examination of wealth is frankly difficult to understand.

The second glaring inadequacy of these analyses can be found in the macroscopic flaws of their attempted historicizations. There is a widely recognised surge in Arab-Israeli cooperation in the contemporary moment but with almost no attempt to contextualise it beyond effectively causally linking everything to the Iranian revolution and apprehension of its diffusion.[25] As will become more apparent in the remainder of this literature review, the history of Arab cooperation extends far beyond the moments that are fetishised in this corpus. Instead of constructing a

[22] Amnon Aran & Rami Ginat, "Revisiting Egyptian Foreign Policy towards Israel under Mubarak: From Cold Peace to Strategic Peace" *Journal of Strategic Studies* 37, no.4 (2014), 556-583.
[23] Yoel Guzansky (2015). "Israel and the Arab Gulf states: from tacit cooperation to reconciliation?" *Israel Affairs* 21(1), 142.
[24] Hermann Frederick Eilts, "The United States and Egypt" in *The Middle East: Ten Years After Camp David* ed. William B. Quandt, (Washington DC: The Brookings Institution, 1988), 111–50.
[25] Yoel Guzansky (2011). "Tacit Allies: Israel and the Arab Gulf States" *Israel Journal of Foreign Affairs* 5(1), 9.

comprehensive historical framework that recognises this, the literature merely interacts with the period in which cooperation is brazenly apparent. Again, it is the absence of a distinction between what is displayed on the surface and what is concealed beneath it that leads to such misguided historical understandings.

Construction of the Enemy and Internal Hegemony

There is an alternative theoretical perspective that seeks to explain the need for an ongoing Israeli occupation; that of instrumentalization of the conflict. "While the instrumentalisation of foreign policy, particularly in the Middle East, has been adduced to serve the purpose of political violence and oppression domestically," writes Ewan Stein, "the nature of instrumentalisation can be further unpacked and 'deepened' to include the ways in which social movements instrumentalise foreign policy."[26] Analysis of the discourse, emanating from both state representatives and oppositional actors, inside the Arab world pertaining to the conflict with Israel is persistently linked to the shaping of domestic politics. Stein and Hassan Barari both identify the ways in which state hegemony is maintained by invocation of the Israeli threat as well as the methods of employing exceptional (and often illegal) political acts through securitisation vis-a-vis Israel.[27] Barari even exhibits cogency regarding the instrumentalisation of the conflict for the sake of preserving approval externally in the larger 'Arab world', stating that "Bombastic statements slamming Israel have been a first-class tactic to ameliorate the regimes' images within, and among, the Arab masses."[28]

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[26] Ewan Stein, *Representing Israel in Modern Egypt: Ideas, Intellectuals and Foreign Policy from Nasser to Mubarak* (New York: I.B. Tauris, 2012), 192.
[27] Hassan Barari, *Israelism : Arab Scholarship on Israel, a Critical Assessment* (Reading: Ithaca Press, 2009), 105; Stein, *Representing Israel*, 193.
[28] Barari, *Israelism*, 103.

The creation of this discourse and the embedding of the threat of the Israeli enemy into the national consciousness is seen as a tool by which legitimacy is attained for the Arab regimes.[29] Internal legitimacy for what are conceptually understood as autocratic regimes across the Arab world is the primary end that moves domestic politics. The conflict has provided multiple opportunities for this strengthening of legitimacy, both through framing of the security threat of the Israeli military as well as the Palestinian refugees.[30]

The limitations of this school of thought comes from the inability to understand politics structurally. The Arab actors are perceived as merely being acted upon and only affecting the internal relations. There is a coherent comprehension of the ways in which the Arab-Israeli conflict benefits the states within the region but no acknowledgement that there is an active perpetuation. Would it not stand to reason that preserving this golden egg laying goose is something that they would seek to enforce? But these analyses fail to understand the dialectical relation of international and domestic politics. There is no singular causal force emerging from international politics pressing down on the internal political realm, but rather two simultaneous forces both constantly shaping the realities of the political structure.

Critical Historicization

To move beyond the problem-solving approaches of realism and strategic studies that merely contend with analysis of the surface, there emerges a need to examine the more critical

[29] Michael C. Hudson, *Arab politics : the search for legitimacy* (New Haven: Yale University Press, 1977). ; Avraham Shela, *Decline of the Arab-Israeli Conflict : Middle East Politics and the Quest for Regional Order*, (New York: State University of New York Press, 1997).
[30] Shela, *Decline of the Arab-Israeli Conflict : Middle East Politics and the Quest for Regional Order*, 67 & Ilana Feldman, *Governing Gaza : bureaucracy, authority, and the work of rule, 1917-1967* (Durham: Duke University Press, 2008), 128.

contributions within the literature. There is a rich tradition of critical history of the Palestinian-Israeli conflict that is linked by a notable distinction between what appears to be true and the actual reality that was generally started within the revisionist school. Simha Flapan's *The Birth of Israel: Myths and Realities* was the harbinger of this tradition of scholarship and it focuses on dispelling the narrow historical reading that places Arab cooperation with Israel as a phenomenon that simply emerged unexpectedly in the 1970's and beyond. The fragmentation of the Arabs, their reluctance to partake in armed conflict with the Zionist force and the diplomatic relations between Arab and Jewish leaders are all among the central themes of the work and they attempt to recontextualise the traditional frameworks of the war of 1948.[31] The work of the new historians of Israel has extrapolated on this with Avi Shlaim's *Collusion Across the Jordan: King Abdullah, the Zionist Movement, and the Partition of Palestine* focusing heavily on breaking down the appearance of unified Arab hostility and identifying the variety of interests.[32] Maxime Rodinson makes not of just how central the Arabs were to this process, stating that "Several decades earlier it might have been possible to carry through the Zionist plan on the level the political Zionists envisaged through deals between a Zionist Organization, endowed with great resources, and governments, essentially those of the European imperialist powers. Unfortunately for them, the stage for putting this plan into effect arrived at a time when nationalism was taking shape in the Moslem countries too."[33] Hence, any examination of the essential questions of this analysis cannot begin at an arbitrary point several decades after 1948. It has to, unsurprisingly, begin at the beginning.

[31] Simha Flapan, *The birth of Israel: myths and realities* (New York: Pantheon Books, 2009).
[32] Avi Shlaim, *Collusion across the Jordan* (New York: Columbia University Press, 1988).
[33] Maxime Rodinson, *Israel: a Colonial-Settler State?* (New York: Monad Press, 1973), 48.

Beyond 1948, there are extensive historical accounts that seek to distinguish between commonly accepted narratives and the conflicting realities. Accounts of the 1967 war that distinguish between the conveyed media perception of concerted Arab belligerence leading to an evitable eruption and the actual diplomacy deployed to deter war are of particular relevance to this analysis.[34] In such moments, the primacy of certain interests becomes apparent and particularly in 1967, the escalation of rhetoric was contrasted by a very cautious approach in the processes that were actually enacted. [35] Ilan Pappe's analysis in *A History of Modern Palestine : One Land, Two Peoples* also examines other moments in which this contrast became apparent and is one of the few works to actually make use of Arab sources, a distinct limitation of the revisionist school as a whole.[36] And this is not only present within the domestic and regional landscapes of the conflict but is also evident in the instances in which there is a meeting of various global forces, such as the Israeli intervention within Lebanon in the 70's and the 80's.[37] The period is of particular relevance due to the time in which it took place (in concomitance with the Egyptian-Israeli peace, as well as immediately after the 1973 oil embargo) as well as the global interests that formed its outcomes .

There are substantial limitations to this strand of the literature. Primarily the narratives that are centred in order to construct the respective arguments of the revisionist historians are predominantly Israeli. Palestinian and other Arab voices are neglected in forming these historical outlooks. Moreover, a lot of these works are quite dated and a lot of new information has come to light since. Critical historicization as part of a framework is, however, an important starting

[34] Norman Finkelstein, *Image and Reality of the Israel-Palestine Conflict* (London: Verso, 1995).
[35] Finkelstein, *Image and Reality*, 165.
[36] Ilan Pappé, *A History of Modern Palestine : One Land, Two Peoples* (Cambridge: Cambridge University Press, 2003).
[37] Noam Chomsky, *The Fateful Triangle: The United States, Israel & the Palestinians* (Massachusetts: South End Press, 1999).

point to an analysis of the role of the Arab states in maintaining the occupation. Arab solidarity has frequently been the discursively constructed image. Moving beyond this presented image and identifying the ways in which political capital is constantly realised through the instrumentalisation of the perpetual state of conflict and of the disenfranchisement of the Palestinian people is the fundamental ambition of this analysis. The contribution to this framework comes in the form of centralising the Arab actors, not merely designating them partial status.

Contemporary Histories

There are more updated histories that focus on the same issues employed by the revisionists but centre Palestinian scholarship in their narratives while also examining issues pertaining to capital and class in a more explicit way. Moreover, they identify the specifics of Zionist capitalism, a mode of production still beholden to the forces of the market yet circumscribed within a framework of settler-colonialism and racism.[38] Capitalism as established in settler-colonial societies becomes predicated on establishing a dominant state nationalism that undermines the existent indigenous nationalisms, to the extent of foregoing what may appear as the most 'economically rational' prospects. This is because as Abdo explains "(T)he imposition of the political ideology of the settler-colonial power over the colonized becomes of paramount significance."[39] The realisation of this political economic structure is clarified through the forms of racist obstacles into class integration that prevented the Palestinians from becoming ingrained

[38] Amir Ben-Porat, *The State and Capitalism in Israel*, (California: Greenwood Press, 1993). ; Nahla Abdo, "Racism, Zionism and the Palestinian Working Class, 1920–1947", *Studies in Political Economy*, 37, no.1, 59-92.
[39] Abdo, "Racism", 66.

in that landscape. The British colonial presence was vital in facilitating this through the gifting of essential state projects to Jewish concessionaries and contractors, who then enforced the exclusion of Arab workers. Within state projects, Jewish workers were privileged either through substantially higher representation or vastly vastly higher remuneration for identical work performed by Arab workers. The state was thus in effect prior to the creation of Israel "largely used as a mechanism for the reproduction and expansion of the European (Jewish) capitalist class."[40] Fundamentally, however, though state formation (specifically of a settler-colonial state) occasionally predominated class formation, it was only within the established socioeconomic boundaries.[41] Simultaneously, this transition was facilitated by those who Sherene Seikaly designates 'men of capital', who did not succeed in establishing a national economy of their own, for whom the social ordering that they "prioritized worked to contain social mobility, silence dissent, and stunt the potential for revolutionary change."[42]

Following the establishment of the state of Israel, the settler-colonial nature of the society continued to define the political economy of Israel. A substantial distinction exists between colonial constructions of local economies and settler-colonial ones in that the former is propelled by the indegenous labour force whereas the latter is predicated on the expulsion of that class.[43]Thus the burgeoning social relations within the Israeli political economy were constituted by a historic bloc comprised of the Labour Zionist movement and migrant Jewish workers.[44] This was characterised by state-led industrialisation and the investment of labour-intensive

[40] Abdo, "Racism", 76.
[41] Amir Ben-Porat, *Divided We Stand: Class Structure in Israel from 1948 to the 1980's*, (New York: Greenwood Press, 1989), 122.
[42] Sherine Seikaly, "Men of Capital in Mandate Palestine" *Rethinking Marxism*, 30, no.3, 2018, 412. ; Issa Khalaf. "*Politics in Palestine: Arab factionalism and social disintegration, 1939–1948*". (Albany: State University of New York Press, 1991).
[43] Maxime Rodinson, *Israel: a colonial-settler state?* (New York: Monad Press, 1973).
[44] Adam Hanieh, "From State-led Growth to Globalization: the Evolution of Israeli Capitalism", *Journal of Palestine Studies*, 32, no. 4 (2003), 5-21.

projects that simultaneously strengthened the nationalistic elements of Israeli society while ensuring that incoming migrants could immediately occupy the spaces vacated through the dispersal of the indigenous population.[45]

Globalising the Conflict

There has always been a global dimension to the Arab-Israeli conflict. The creation of the Israeli state has been not only been predicated on the political administration of Britain and the influx of labour coming from outside but also substantial capital injections from Europe and the United States.[46] Political economy perspectives convey this global dimension due to the tacit understanding that the capitalist social order is built on nodes connected by linkages that keep the entire system running, particularly in a neo-liberal moment that Israel and Palestine have not been exempt from.[47] It is therefore instructive to examine works built on such perspectives, not only to understand the global politics of the conflict but the regional politics with which this analysis is specifically concerned. One such way in which this strain of the literature identifies the regionilisation and the globalisation of the conflict is within the political economy of the Palestinian territories, wherein the flows of trade and labour with neighbouring states are extremely pronounced and heavily determinant of its condition. There is a cognition within the literature of some of the roles the Arab states play in, at the very least, exacerbating the stasis of

[45] Hanieh, "State-led Growth to Globalization", 7.
[46] Joel Beinin, *Was the Red Flag Flying There? Marxist Politics and the Arab-Israeli Conflict in Eqypt and Israel 1948-1965*, (Berkeley, California: University of California Press, 1990), 71.
[47] Israel's state-led industrialisation has subsided to mechanisms of financialisation and privatisation, following the same global trend towards neo-liberalism. The political dimensions of conflict resolution have been entangled within the ambitions of accumulation of the nascent class of financial beneficiaries. For a more comprehensive examination of Israel in this age and how it slots within the current globalised social order, see: Uri Ram, *The globalization of Israel : McWorld in Tel Aviv, Jihad in Jerusalem*, (New York : Routledge, 2008).

the situation. The de-development of the territories has a consistent recognition of the restrictive behaviours, mainly of Egypt and Jordan, towards exchange of subsistence commodities as well as capital.[48] Sara Roy links this to the political by outlining the "punitive measures undertaken by Egypt in concordance with Israel."[49] Additionally, there is a substantive examination within the literature of migration flows from Palestine towards, primarily, the Gulf.[50] The Palestine diaspora comprises a subsection of the migrant working class within the Gulf and has served a disciplining function in order to facilitate Gulf capital's accumulation.[51] Other links between Israel-Palestine and the Arab states in the political economy corpus do not only take place in the realm of labour, but also of capital.[52] Particularly, the Weapondollar–Petrodollar Coalition provides a lens by which the macro-side of regional politics can be understood and vitally, it provides a concretely political understanding to the quintessential resource within the Middle East.[53]

Theoretically, there is substantial groundwork that would be beneficial to erect a framework by which the Arab role in the perpetuation of the occupation can be understood. There is frequently an absence of direct interaction with this query and the fact that the majority of useful material are intended as analyses either of Israel or the Palestinian territories speaks to this.

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[48] Sara Roy (1987). "The Gaza Strip: A Case of Economic De-Development" *Journal of Palestine Studies* 17(1). ; Sara Roy (1999). "De-development Revisited: Palestinian Economy and Society Since Oslo" *Journal of Palestine Studies* 28(3).
[49] Sara Roy, *The Gaza Strip : the political economy of de-development* (Washington, D.C.: Institute for Palestine Studies, 1995), 108.
[50] Shir Hever, *The political economy of Israel's occupation: repression beyond exploitation* (London: Pluto, 2010). ; Adam Hanieh, *Lineages of Revolt : Issues of Contemporary Capitalism in the Middle East* (Chicago: Haymarket Books, 2013).
[51] Hanieh, *Lineages*, 124.
[52] Jonathan Nitzan and Shimshon Bichler, *The Global Political Economy of Israel: From War Profits to Peace Dividends* (London: Pluto Press, 2002). ; Raja Khalidi, *The Arab economy in Israel : the dynamics of a region's development* (London: Croon Helm, 1988), 164.
[53] Nitzan and Bichler, *Global Political Economy of Israel*, 228.

Framework & Methodology

International political economy, as a framework of international relations, is an approach by which the studies of power and wealth can be intertwined. It is difficult to conceive of a lens by which wealth can be abstracted away entirely from politics. Within what is arguably the most utilised framework in the discipline, liberalism, there is a very concrete acknowledgement of the role of economics in the affairs of the international political sphere. Even in the hard security conceptualisations of realist doctrine there is an increasing recognition of a link between money and power, if only in the sense that money allows for the procurement and the facilitation of the attainment of the tools by which war can be waged or thwarted. Political economy, therefore, is not exogenous to international relations but rather an internal reorientation of the analytical scope. The linkages between the political and economic are not treated merely as accidental appendages to the state system, but are recognised as an endemic consequence of our contemporary global social organisation. Hence, shining a revelatory light on these linkages becomes paramount to the comprehension of how actors behave in the global sphere.

In order to begin this venture it is first necessary to identify the structure by which the global social order is organised in the contemporary moment. The invocation of the term ‘social order’ is intended to identify a larger structure wherein the political and economic exist. It is redundant to examine the anarchy of nation-states in a vacuum as it is equally redundant to do so with the system of international trade. The totality within which both exist and by which all social life is governed is that of capitalism. Capitalism is a method of social organisation unique and distinct from all others that preceded it. At its core and what differentiates it from all other social formations is the ubiquitous production of all things for exchange, as opposed to use.

Whereas in previous societies some commodities existed and markets were a prospective venue for their sale and attainment, in capitalism commodity production is imperative and all-encompassing. In order to attain the means of living, the majority of the population are required to sell the one commodity in their position; their ability to work. In direct contradiction, a minority of proprietors are required to utilise what they also possess; money. The circulation of that money can only be justified if it yields more than its original worth. And thus capital is conceived as "it comes out of circulation, enters into it again, preserves and multiplies itself within circulation, emerges from it with an increased size, and starts the same cycle again and again."[54] A tether is thus created between those who sell their ability to work and those with the capital required to purchase it. And hence a complete and utter subjugation to the market takes form, wherein all actors produce for exchange. Ellen Meiksins-Wood expresses this phenomenon as such: "This market dependence gives the market an unprecedented role in capitalist societies, as not only a simple mechanism of exchange or distribution but the principal determinant and regulator of social reproduction."[55]

A variety of behaviours and processes are ingrained into the very fabric of capitalism. Preceding the establishment of the property relations that dictate the behaviour of the class of unpropertied labourers and their capital-possessing counterparts are the processes of what is identified as primitive accumulation, the history of which is written "in letters of blood and fire."[56] These processes constitute the encroachment of communal lands, their private enclosure and the forceful dispossession of the majority of the population of their means of reproducing

[54] Karl Marx, *Capital Volume 1* (London: Penguin, 1976), 256.
[55] Ellen Meiksins-Wood, *The Origin of Capitalism*, (New York: Monthly Review Press, 1999), 97.
[56] Marx, Capital, 875.

themselves.[57] These processes do not have an end point but are constantly taking form in order to entrench capitalist relations. Once they are sufficiently established in order for a national market to exist, the logic of capital takes form through "the imperatives of competition, accumulation, and profit-maximization, and hence a constant systemic need to develop the productive forces."[58] These mechanisms, buried into the core of capitalist relations, propel the expansion and growth by which this form of social organisation becomes diffuse and eventually dominant on a global level.

Capitalist growth is not optional. Stasis in the capitalist order rings a death knell and hence expansion is constantly in motion. This manifests spatially in the form of imperialism.[59] Imperial capitalist expansion is distinct in that it must transform the society that it pervades. Pre-capitalist imperialism did not face a compulsion to achieve this with provinces engulfed by the empire often simply being required to pay tribute to the core. This did not necessarily require a concrete change in the way the productive forces of the society were organised. Capitalist expansion, however, requires the spread of the processes of encroachment, dispossession and proletarianisation.[60] Much the same as the domestic establishment of capitalist relations, global imperialism is equally violent, especially so in societies previously unblemished by the disciplining forces of a central political sovereign. Either through the threat of violence or by the enactment of physical violence, the core capitalist society imposes the new form of social organisation onto the peripheral society.

[57] Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time*, (Boston, MA: Beacon Press, 2001).
[58] Meiskins-Wood, Origins, 97.
[59] Vladimir Lenin, *Imperialism, the Highest Stage of Capitalism*, (New York: Dover Publications, 1987).
[60] Rosa Luxemberg, *The Accumulation of Capital*, (London: Routledge, 2003).

The pervasive nature of capitalism instigates new contradictions that also require violent resolutions. There is a tacit acknowledgement of an in-built tendency for crises to erupt within capitalism, even from most proponents. The notion of gluts, originating from Thomas Malthus, revolves around the detrimental cost of capitalist growth. Subtracting the extreme class allegiances Malthus infused within his analysis, capitalist accumulation was problematic due to an inherent inability to realise the expansive tendencies of the class of capitalists. An imbalance of production and consumption would come to be by litigating too much power to this faction of society as they would constantly seek to invest and reinvest in productive functions. Moreover, when labour-saving capital is invested in, the purchasing power of the labouring class would diminish even further and thus an imbalance of the aggregate supply and the aggregate demand of the economy would erupt. In order to resolve this contradiction Malthus came to recognise the need for unproductive consumption in order to restabilise the economy. In his words "There must therefore be a considerable class of persons who have both the will and power to consume more material wealth than they produce, or the mercantile classes could not continue profitably to produce so much more than they consume."[61] In order to attempt to resolve this inherent contradiction within capitalist production, spatial expansion once again emerges as a necessary process. Situating a class of unproductive consumers from outside the society in question not only allows for the process of accumulation to reignite but it also does so without ceding power to the other existent internal classes, such as the labouring class or those who own the land. This external class of consumers can either voluntarily provide the money by which this contradiction can be resolved, as in the form of a faction of comprador elites, or they can be violently coerced into purchasing the commodities emerging from the core.[62]

[61] Malthus, *Principles of Political Economy*, (London: William Pickering, 1836), 400.
[62] Marx, *Capital*, 587.

Unproductive spending as a tenet of the capitalist social order has existed in orthodox theory for a considerable amount of time. It was John Maynard Keynes who propelled this notion into the mainstream and for decades state policy was oriented around it. Keynes thought this 'wasteful loan expenditure' to be an effective method by which excess savings that had not been converted into investment could be absorbed, and also as a stimulant of employment. Though not entirely intended to invoke this, Keynes himself was actually aware of how this could be translated into a justification for militarism stating that "Pyramid-building, earthquakes, *even wars* may serve to increase wealth, if the education of our statesmen on the principles of the classical economics stands in the way of anything better."[63] In fact militarism has not been merely a potential choice by which capitalist accumulation is realised; rather, it has been historically "the greatest bulwark of capitalism."[64] Militarism possesses a twofold character in the perpetuation of capitalist relations: a productive aspect and consumptive aspect. The production of means of militarism is an avenue in which stagnation can be averted due to the perpetually escalating nature of the industry.[65] Conversely, the consumption of militaristic commodities serves a vital function in alleviating the problems associated with the infinite nature of capitalist growth. Despite constantly needing expansion in order to reproduce itself, capitalism faces a very definitive obstacle in the form of the finite nature of the planet. By exhausting the destructive capacities of weaponry, this contradiction can be overcome, or at least shifted temporally. Consumption of arms allows for the continuation of the cycle of accumulation as

[63] John Maynard Keynes, *The General Theory of Employment, Interest, and Money*, (Amherst, NY: Prometheus Books, 1997), 129
[64] Emma Goldman, *Emma Goldman: Making Speech Free*, (California: University of California Press, 2003), 281.
[65] Paul Baran and Paul Sweezy, *Monopoly Capital, an Essay on the American Economic and Social Order*, (New York: Monthly Review Press, 1966).

well as create future avenues for the realisation of profit. Construction and reconstruction are facilitated by the destructive capacities of war.

The creation of political economies of war can frequently prolong the violence due to the avenues of profit that the war provides. The emergence of smuggling networks, either of displaced peoples or of looted resources, often ensures that the actors involved, whether states or non-state militias, actively try to prevent the resolution of the conflict.[66] Readily exploitable labour in the form of refugees becomes highly coveted for neighbouring states. Moreover, war can also be an engine for political and social transformation. Such political functions of war include "weakening a political opposition; gaining electoral advantage; absorbing the energies of discontented groups; and sabotaging an emerging democracy."[67] Social transformation in the form of the reconfiguration of class relations and the reorganisation of historic blocs is also made more tenable by both the threat of war and war itself. In the contemporary moment, the process of financialisation and privatisation are constantly being enforced and in the face of resistance, the social transformation can only come into being through force.[68]

The rebuilding phase that follows any destructive military venture has also been a boon for capitalism. Not only does it provide an economic opportunity through the creation of pockets that surplus capital can penetrate and be absorbed, but it serves a very distinct political function in the establishment of tethers. Reconstruction allows for the establishment of particular structures that entrench either subservience to those providing the capital or dependency. The influx of capital can take three forms (aid, investment and credit), all three of which possess a

[66] Paul Collier and Anke Hoeffler (2004), "Greed and Grievance in Civil War" *Oxford Economic Papers* 56, 563-595.
[67] David Keen, *Useful Enemies: When Waging Wars is more Important than Winning them*, (New Haven, CT: Yale University Press, 2012), 109.
[68] David Harvey, *The New Imperialism*, (Oxford: New York : Oxford University Press).

highly charged political character. Aid frequently contains a conditionality by which the apparent loss of money can be recompensed.[69] One such mechanism by which this is achieved is by simply requiring the recipients to expend the aid in the domestic markets of the donor country. Alternatively, aid can be predicated by the condition of being strictly for military purposes, in which case the prospect of the recurrence of destruction and reconstruction becomes more pronounced. Investment differs in that it does not need to be made conditional but it can be implemented in methods that do not benefit the developmental capacities of the recipient country. In both cases, the political autonomy of the recipient is compromised. With credit, this is even more overt. Indebtedness tips the dynamic of power between any two actors and allows the creditor a foothold within the political landscape of the debtor.[70] The end-point of all three forms, however, is largely the same; it provides an opportunity for the perpetuation of the circulation of capital as well as its extension into the future.

Themes and Chapters

There are three main themes that I intend on engaging through this international political economy framework to derive a substantive answer to the questions of the research. The first theme, chronologically, is the contribution of the Arab leaders in the initial appropriation of land and the expulsion of the Palestinians. There are existing answers to this in the literature but as part of the historicization it needs to be elaborated on and contextualised within the larger framework of the analysis. The second theme is about the ways in which the constantly expanding military threat has been a domestic boon for the hegemony of internal historic blocs

[69] David Sogge, *Give and Take: What's the Matter with Foreign Aid?* (London: Zed Books, 2002).
[70] David Harvey, *A Brief History of Neoliberalism*, (New York: Oxford University Press, 2005).

both ideationally but also materially. The third theme is the benefits of access to a dispossessed stateless class of workers for the Arab states. Each of these three themes will be applied to specific phenomena in each chapter of this analysis.

Following this introduction, Chapter 2 will be the first substantive analytical chapter and it will provide a historical perspective on the formation of the power relations that would go on to characterise the nature of this conflict for several decades. The dispossession of the Palestinian population, the creation of the Israeli state, the seizure of lands and the administration of the resultant refugee crisis will be the central aspects of this analysis, and thus the chapter will focus on the period between 1936 and 1967. The Arab Revolt of 1936 is chosen as the starting point due to it being a pronounced expression of the class dynamics inside Palestine and how they interplayed with the regional actors that would be vital in shaping the events of 1948. The chapter will then move on to a thorough examination of the origins of the war of 1948 and their consequences with an attempt to reconstrue the existing historical literature on this period through a political economy perspective. Hence an analysis of the resources at stake (i.e. land, water and labour) will be conducted with cooperation between Jordan and Israel firmly in the foreground. Having established this context, the analysis will then shift to the administration of Gaza and the West Bank in the immediate aftermath of the dispossession up until 1967, when substantial shifts in the dynamics of the entire region would take place. The purpose of this examination is to shed light on both the realisation of regional class interests at the expense of the Palestinian national movement, be it in Egypt or Jordan. The appropriation of land by the Hashemites in Jordan, the exploitation of the displaced labour force, the instrumentalisation of the Palestinian political movement either as a source of legitimacy or a threat to national security, and the establishment of relations of dependency as well as the inhibition of

developmental capacites are the aspects that arose in this moment that put in place many of the conditions that linger on to this day in this conflict.

Chapter 3 will address Palestinian migrant labour and how it was utilised by the Gulf states. The political character of the treatment of this class (either through absorption or expulsion) is fundamental to the analysis. As in the previous chapter, a contextualisation within regional relations between the Gulf states and Israel will be embedded in order to display the ways in which these events either tacitly or overtly entrenched Palestinian displacement and Israeli occupation. The chapter will begin in 1948 and end in 1990, when Palestinian migration as a largescale project effectively died with the events of the Iraqi invasion of Kuwait.

The analysis will be concluded with a synthesis of the three main themes of the thesis, integrating them all to develop a contemporary perspective on the conflict, and where it may be heading. The conclusion will take into account the other alternative and prospective avenues from which Arab capital and their state representatives may benefit, and how the current landscape is shaping these interests.

Chapter 2 - Collusion Pre-1948 & Successive Administration

Those who examine the situation in Palestine as a confrontation of blocs, as is frequently found in the aforementioned strategic studies literature, can only do so by utilising a blinkered lens that disregards stratification within the respective societies. In their eyes all that can be seen are states and associations of states. But that is a far cry from the reality of Middle Eastern societies. Inheriting a colonial structure of elites and subservients, and then conceiving their own budding forms of capitalism, the Arab world has always been internally divided along political and economic lines. Hence the view of an overriding will of Arab unity, by which a convergence of interests along the entire region comes to be, against an abstract Zionist occupation is simply a misrepresentation. From the onset of the formation of a political Arab national identity, there have been divisions within Arab society which have facilitated the Israeli seizure of Palestine as well as inhibited a Palestinian national movement.

As Avi Shlaim argues when describing one of the primary Zionist strategies in securing the eventual outcome of independence in 1948, "the attempt to bypass the Palestine Arabs and forge direct links with rulers of the Arab states became a constant feature of Zionist diplomacy in the 1930s and 1940s."[71] This was a highly intuitive approach for three main reasons. Primarily, the ruling elites of most of the countries neighbouring Palestine at that stage were either directly selected by the colonial European powers governing the respective countries or indirectly toeing a line that would prevent them from becoming antagonistic towards the colonial powers. This, as will be examined in this chapter, led to extremely tenuous commitments to the Palestinian national movement or active attempts to eliminate its political character. Secondly, whereas the

[71] Avi Shlaim, *Collusion across the Jordan : King Abdullah, the Zionist movement, and the partition of Palestine* (New York : Columbia University Press, 1988), 18.

presence of a very directly confrontational Zionist movement had galvanised the Palestinian inhabitants into organising a somewhat united front, the neighbouring Arab societies did not have particularly pervasive or mature nationalistic tendencies. This meant that fragmentation within these societies was quite rife and hence finding actors that were amenable to Zionist political ambitions was possible. This was particularly prevalent in Egypt with a nascent class of financiers becoming enticed by the prospects of partnership with their Jewish counterparts who had access to foreign resources that otherwise would have been unreachable. And thirdly, and perhaps most significantly, due to these divisions and the existence of a clear hierarchy within these societies, the ruling elites, new to the concept of state-making, had a strong drive towards expansion and consolidation of land and resources. These ambitions superseded any sort of transnational Arab allegiances and the increasing Zionist foothold in Palestine was seen as an attempt to profiteer from a potential fragmentation of that territory, as will be demonstrated through Jordan's absorption of the productive capacities of the West Bank and Egypt's administration of Gaza in a way that enforced the legitimacy of the ruling class but deleteriously affected the developmental prospects of the Strip.

The 1936 Arab Revolt

The Arab revolt that erupted in Palestine in 1936 was arguably the first large scale manifestation of a regional conflict that has been ongoing ever since and, in many ways, it aptly establishes the patterns of behaviour that several of these actors have continued to exhibit. Of specific interest to this analysis was the highly opportunistic pressure exerted by the rulers of the neighbouring Arab countries in quelling the revolt. The revolt had erupted because of continued grievances with British mandatory administration that had previously instigated minor episodes of violence

throughout the 1920's. The Peel Commission of 1937 identified numerous causes for the outbreak but they can roughly be summarised in two primary points. The first cause was the increasing Jewish presence in Palestine, mainly in the form of increased immigration (fueled by European persecution) and transfers of land from Arab ownership to Jewish ownership. This general concern was heightened by a general suspicion of the British administration who were perceived by the Palestinian Arabs as facilitating this shift. The second cause was the stagnation of the plans to realise an Arab national entity within the Palestinian territory. Attributed to a regional build-up of national independence movements, it was somewhat ironic that it would actually be the regional leaders who would provide a substantial thrust in trying to end these hostilities.

The reason for this becomes transparent when examining the nature of the revolt, specifically the fact that it consisted mainly of a general strike. The revolt was not localised in a particular sector or locale within Palestine; rather, it was pervasive.[72] That is not to say that there was a complete unity in the movement, since there was still a very stark division between the elites within Palestine and the masses. The Arab Higher Committee, which was formed in response to the general strike, was founded by the heads of prominent Palestinian clans and their representative political parties. Formally the Arab Higher Committee would support the strike despite actively trying to prevent it from expanding to its full capacity. The Committee sought to navigate a path in which it could earn the goodwill of the Palestinians while not sacrificing the political and economic influence to which it already had access. The two main factions of the Palestinian ruling elite, the Husaynis and the Nashashibis, prevented government employees, mayors and municipal workers from joining the strike since these were the avenues from which

[72] Ghassan Kanafani, *The 1936-39 Arab Revolt in Palestine*, (New York: Committee for a Democratic Palestine, 1972).

their power derived. Similarly, members of the committee who possessed substantial economic assets, such as landowners, merchants and financiers, started calling for an end to the strike once their personal interests became compromised.[73] Moreover, there was a genuine concern that were the strike to continue expanding and becoming more pronounced, the participants would be liable to turn against the Committee itself. And it was this concern, that of exponential expansion, that was reciprocated by the rulers of the Arab countries who themselves were witnessing similar outbursts, albeit on more atomised scales.

Thus, at the consultation of both the British administration and the Arab Higher Committee, the authority of the Arab rulers, mainly in Saudi Arabia, Transjordan and Iraq, was brought to the fore in an attempt to quell the outbreak. On October of 1936, the Committee released a statement that read as such:

> *"Inasmuch as submission to the will of their Majesties and Highnesses, the Arab kings, and to comply with their wishes is one of our hereditary Arab traditions, and inasmuch as the Arab Higher Committee firmly believes that their Majesties and Highnesses would only give orders that are in conformity with the interests of their sons and with the object of protecting their rights; the Arab Higher Committee, in obedience to tire wishes of their Majesties and Highnesses, the Kings and amirs, and from its belief ill the great benefit that will result from their mediation and cooperation, calls on the noble Arab people to end the strike and the disturbances, in obedience to these orders, whose only object is the interests of the Arabs."*[74]

[73] Simha Flapan, *The birth of Israel : myths and realities* (New York : Pantheon Books, 1987), 62-63.
[74] Ghassan Kanafani, *Documents of the Palestine Arab Resistance (1918-1939)*, 454.

This followed previous attempts by the then Amir Abdullah of Transjordan and Nuri Said of Iraq to mediate with the Committee on behalf of the British administration. A month after the release of that statement, the six month-long general strike came to an end again by invoking the Arab rulers' orders. King Abdul-Aziz Al-Saud and King Ghazi would then become even further involved, pushing the Grand Mufti of Jerusalem Hajj Amin Al-Husseini into congregating with the British Royal Commission. The aforementioned Peel Commission of 1937 had proposed partition of the land and had been met by complete rejection by the Arab Higher Committee. Upon the involvement of the Arab states, fragmentation began to seep into the Committee and it was eventually disbanded and declared illegal by the British Administration.

Despite the discontinuation of the partition proposal, Britain still sought to reach a compromise with the Palestinian leadership, who were always more than eager to engage with it even against the will of the general population. Again, these discussions were facilitated by the Arab regimes. Led by the Iraqi and Saudi delegations but also joined by the Yemenis and the Egyptians, these parties in cooperation with the second iteration of the Higher Arab Council (this time spearheaded by a new representative of the Husseini family, Jamal Al-Husseini, though still being orchestrated by the now exiled Grand Mufti) convened at the Round Table Conference in London. While this was taking place, the general revolt in Palestine remained ongoing. In fact, similar iterations began spilling over into Transjordan which shifted the role of the Transjordanian regime from diplomatically trying to undermine the Palestinian revolt into physically and militarily combatting it. In active participation with British forces and Zionist militias, the Transjordanian regime arrested key figures in the revolt, shut down regional routes

which had allowed the Palestinians to avoid capture and aided unofficial paramilitary groups to engage in quelling the rebellion's expansion.[75]

It should be noted that there were more than 5,000 Arabs killed and almost 15,000 wounded during the entirety of the four-year period that concluded in 1939, making it second only to the Algerian revolt in the amount of victims lost in a single anti-imperialist revolt in the Arab world.[76] The unit most often utilised to make sense of anti-imperial violence is that of the nation. The dominant analysis contends that the arbitrary colonial divisions led to a disruption of the social regional fabric which thus erupted into outbreaks of resistance.[77] But the Sykes-Picot agreement was not only an attempt at state-building, it was simultaneously an attempt at appropriation of land for private gain. Resistance against British mandatory administration and Zionist seizure of land should be understood through the lens of the expansion of European capital and industrial property relations into distinct, localised areas that had previously not really known such boundaries. In fact, it was partially Jewish capital's ability to outgrow Arab capital within mandatory Palestine that tipped the power relation so heavily in their favour. For example, investment as a percentage of gross national product in the Jewish community between 1922 and 1939 reached 39.3 percent (generally considered very high) in comparison to 12.2 percent in the Arab community (generally considered quite low). Jacob Metzer provides a quite concise explanation as to why this was the case, stating the causes as:

> *"(a) the more versatile options for capital buildup in the modern Jewish rural and general economy, relative to the largely traditional Arab rural sector, where the accumulation of wealth was largely confined to land; and (b) the more*

[75] Kanafani, 1936-39 Arab Revolt, 53.
[76] Anis Sayegh, *Palestine and Arab Nationalism* (Beirut, PLO Research Center, 1970), 45.
[77] Simon Smith, *Ending empire in the Middle East : Britain, the United States and post-war decolonization, 1945-1973*, (New York: Routledge, 2012).

developed Jewish capital market and quasi-public credit facilities that served the Jewish farm economy, whereas Arab agriculture depended, at least in part, on personal providers of credit, making for concentration of land ownership throughout the Mandate period."[78]

More crucially to the accumulation of capital which was vital to the growth of the Jewish national economy was the capital entering into mandatory Palestine through immigrants. At least 85% of the capital influx in Palestine between 1932 and 1946 came from an external supply. This of course facilitated the increase of Jewish land holdings, who were funded by two capital holding organisations; the Jewish National Fund (created by the World Zionist Organisation) and the Palestine Jewish Colonization Association (established by Baron Edmund de Rothschild). This allowed for an ability to gradually dominate land ownership in Palestine as Arab feudal landlords, incapable of seeing beyond their immediate economic interests, were all too willing to sell their holdings, as they "both benefited from the dualism of the Palestinian economy and willing reinforced its structure."[79] Large swathes of the peasantry and those who worked the land under Arab ownership found themselves dispossessed and thus began the process of proletarianisation of the Palestinian people, a theme that will be largely recurrent throughout this analysis.

One figure who was more acutely cognisant of this situation was King Abdullah of Transjordan (who was Emir at the time and would become king in 1946), who would have had to become embroiled in the situation whether or not he so desired due to the proximity of the two territories. But Abdullah was actually quite eager to become involved and he opportunistically

[78] Jacob Metzer, *The Divided economy of Mandatory Palestine* (Cambridge ; New York : Cambridge University Press, 1998), 103.
[79] Sara Roy, *The Gaza Strip : the political economy of de-development* (Washington, D.C. : Institute for Palestine Studies, 1995), 52.

tried to engage with the Zionist movement for self-serving reasons. Often attributed to his political education under Ottoman tutelage, Abdullah did not harbour antipathy to the Jews of Palestine, rather seeing that they "were potentially of immense value for their connections, their drive and their talents, and their reputed wealth, and Abdullah believed it was worthwhile to try and conciliate them with a generous 'autonomy'".[80] But more importantly than this apparent strain of tolerance was the similarity of his position to the Zionist project. He also possessed substantial wealth and he also was arbitrarily grafted onto a land from which he did not originate, with the support of the British, while possessing grand imperial ambitions. It was mutual class interests and allegiances that saw the Transjordanian regime tacitly and overtly support the colonising forces in Palestine to disrupt the rebellion that erupted in 1936. And this attitude would continue all the way until his assassination in 1952. In that period was of course the 1948 War of Independence wherein supposedly the entire Arab world united to try to dismantle the Israeli state in its infancy.

Partition and War

The Peel Commission's proposals, which had been very much to Abdullah's favour since he perceived himself to have a substantial chance of taking over the 80 percent of Palestine which would be granted to the Arabs, was disrupted by the Second World War. Proving himself to be a valuable ally during the war, however, talks of partition would be reignited following its conclusion. In fact, partition began to gain traction not just with the Transjordanian regime but in Egypt in 1946 when a Zionist diplomatic delegation had convinced prime minister Ismail Sidqi

[80] Uriel Dann, *Studies in the history of Transjordan, 1920-1949 : the making of a state* (Boulder, Colorado: Westview Press, 1984), 11.

to accept partition.[81] The reasoning for this had been the hope that a 'resolution' to the problem in Palestine would lead to the evacuation of the British from Egypt. Nevertheless, Sidqi's acceptance was conditional on the support of another Arab state in order to try to push the proposal through with the recently formed Arab League. The Zionist delegation then proposed the matter to Abdullah who tried to simultaneously appease the British desire to implement the partition while retaining a plan for a larger Arab federation with a degree of Jewish autonomy. Abdullah tried to get it both ways by receiving funds from the Zionist delegation while working to eventually fulfill his imperial fantasies. Unaware of how little support his initiative was getting at the London Conference of 1946 and 1947, which had been designed by the British government to resolve the issue of Palestine conclusively, Abdullah soon found himself in an even more isolated position once Ismail Sidqi was deposed in Egypt. Things took a drastic turn when his hope of being handed Palestine through British support collapsed when the latter announced its decision to conclude its mandate, following continued Jewish insistence on partition, this time with the backing of the United States. Abdullah would vocally toe the Arab League line of rejection of the proposal while trying to readjust his position whereby he could at any point swoop in militarily. After a secret conference with the Arab League in March of 1947, the Transjordanian delegate tried to support the consensus of potential action against the partition while trying to distance himself from committing to their initiatives. As Avi Shlaim notes, 'To all those present in Cairo it was clear that the Transjordanian delegate's references to the UN and to Transjordan's duties only served to mask his master's determination to keep a free hand for military intervention in Palestine in pursuit of his plans for territorial expansion."[82]

[81] Shlaim, *Collusion across the Jordan*, 76.
[82] Shlaim, *Collusion across the Jordan*, 85.

In fact, the most appropriate way to approach the 1948 War of Independence is arguably as an intra-Arab war that happened to involve the Zionist faction. Simha Flapan puts this most concisely when he states that:

> *"To be sure, the problem of Palestine, the attitude toward Zionism, and the future of the Palestinian people were very important in the politics of the region, but in retrospect, it is clear that they were not primary. The overriding issue was the revival of the Hashemite plan for a United Arab Kingdom in Greater Syria ruled by the Hashemites, supported by the British, and embracing Syria, Iraq, Lebanon, and at least the Arab part of Palestine."*[83]

Palestine represented access to the Mediterranean, which made it a vital asset to the Transjordanian regime – eager to follow the Jewish economic model that had been established over the past three decades. Iraq was open to the Hashemite proposal since the annexation of Palestine would also give it access to the Mediterranean with the substantial commercial opportunities that would come with it. The Saudi monarchy, which had previously come in collision with the Hashemites when it expelled them from the Hejaz, had been concerned with Abdullah's expanding regional influence. The Palestinian nationalists, represented by the Grand Mufti and the Husseinis, were equally averse to Abdullah's scheming, and their fearful notions of Abdullah impeding national sovereignty was echoed in Syria and Lebanon. And to complicate matters further, Egypt favoured any initiative that would see the departure of the British from their state, which had become increasingly fueled with domestic unrest.[84] These dynamics were all taking form within a global context too – that of the ravenous courting of newly discovered oil in the Gulf by rivaling American and British capital.

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[83] Flapan, *Birth of Israel*, 126.
[84] Eliyahu Sasson, *Road to Peace*, (Tel Aviv: 1978), 390.

The secondary importance of the issue in Palestine to the Arab states was reflected in the complete reluctance to mobilise any military forces in order to prevent partition. This would remain the position up until very late, with the Egyptian minister of defence being quoted as declaring three days before the war began that "We shall never even contemplate entering the war officially. We are not mad."[85] This sentiment was echoed repeatedly by prime minister Nuqrashi and foreign minister Khashaba who both made it clear that Egypt had no intention of sending official military forces, though it could not prevent volunteers from joining the fighting.[86] This aversion can be explained by the transnational nature of capital expansion. The ruling bloc of Egypt at this stage was a nascent bourgeoisie that was actively trying to expand its influence in its own domestic borders and establish a national market as a province of accumulation with linkages to the global political economy. Ismail Sidqi was in fact the chairman of the Association of Industrialists and quite brazenly stated to the Zionist diplomatic delegation that had convened with him in the mid 1940's that he was "a businessman - not pro-Jewish or pro-Arab - seeking the best for Egypt. If this demands Jewish-Arab cooperation, so be it."[87] Much like Abdullah, the faction of capital owners in Egypt saw that a lot of benefit could be attained from emulating their Zionist counterparts, with many of whom they had had connections. Tal'at Harb had been proactive in establishing relations with the Jewish bourgeoisie in Egypt in the early parts of the 20th century, coming to realise that they had access to resources that were not available to Egyptians.[88] Capital entering from European banks and investors such

[85] John Kimche and David Kimche, *Both Sides of the Hill: Britain and the Palestine War* (London: Secker & Warburg, 1960), 153.
[86] Benny Morris, *1948 : A history of the first Arab-Israeli war* (Connecticut : Yale University Press, 2008), 182.
[87] Sasson, *Road to Peace*, 373.
[88] Eric Davis, *Challenging Colonialism : Bank Misr and Egyptian Industrialization, 1920-1941* (Princeton: Princeton University Press, 2014), 95.

as the Deutsche Orient Bank circulated among elite Jewish families and as an ardent believer of a cohesive nationalism, Harb was determined to work closely with these families. This Jewish Bourgeoisie continued to become more prominent and by 1946 there were 38 joint stock companies operating in Egypt that had an entirely Jewish Board of Directors (compared to 60 companies that had purely Egyptian Boards).[89] Though many of the Jews within Egypt did not consider themselves Zionists, there had been some fervent Zionist movements, particularly in Alexandria where they were led by an important rabbi named Moise Ventura.[90] A smooth resolution to the Palestinian issue was seen as a priority for the likes of Sidqi and Nuqrashi, who had consulted the Jewish Agency to "formulate proposals for the disengagement of Egypt from the sterling bloc" and to shift towards an American alliance.[91] Not only could Jewish businessmen propel the industrial sector in Egypt by actively investing in the local Egyptian economy but, more crucially, an established Zionist capitalism built on dispossession and racist stratification was seen as providing an opportunity to connect Egypt's economy with American finance and institutions. Once again, class allegiances were a much more crucial determinant of political action than national enmities. Nothing is more telling of the attitude of the Arab ruling classes towards Palestine than when the Arab League finally decided to create a volunteer Arab Liberation Army which became involved in what was largely developing into a civil war in Palestine that would last until the conclusion of the British mandate in May 1948. Instead of mobilising a clear and distinct strategy, "the ALA volunteers from Egypt, Syria, and Iraq who infiltrated Palestine established their own courts and administrations in towns and villages and

[89] Robert Tignor, *State, private enterprise, and economic change in Egypt, 1918-1952* (Princeton, N.J. : Princeton University Press, 1984), 193.
[90] Michael Laskier, *The Jews of Egypt, 1920-1970 : in the midst of Zionism, anti-Semitism, and the Middle East conflict* (New York: New York University Press, 1992), 109.
[91] Flapan, *Birth of Israel*, 133.

collected their own taxes - a measure that created severe tension between them and the local population."[92] Even when the current obligated the Arab states to engage militarily, they still tried to squeeze as much as possible from Palestine. This approach would certainly become more refined as the conflicts matured.

But it would be amiss to underplay the agency of the Arab protagonist of what would become a three-pronged occupation of historic Palestine and that was unquestionably Abdullah. Abdullah had always been the Arab leader most invested in the fate of Palestine and that stemmed from very distinct political and economic reasons. Abdullah's kingdom, while territorially defined, did not have a settled population and it most certainly did not have a productive working class. The Transjordanian Bedouin population was significantly more difficult to discipline into a class of property-less workers than the Palestinian Arab population which had been exposed to advanced private property relations for almost three decades. Transjordan was not bereft of workable land but it was certainly short of people. And this arrangement was very fitting for the Zionist leadership, who were soon to be forcibly expelling a local population and needed someone else to absorb them. In fact, the relationship between the two only began to deteriorate after the war of 1948 exposed the reality of Abdullah's kingdom, realising that "his independence and sovereignty were fictitious. Transjordan was a country without an economy and without a people. The 300,000 Bedouin living there did not represent a cohesive society."[93]

However, before coming to this realisation, Abdullah played a significant part in determining the outcome of the war. Abdullah, despite being universally mistrusted by the other members of the Arab League, was heavily pressured into participating and was assigned a

[92] Flapan, *Birth of Israel*, 131.
[93] Flapan, *Birth of Israel*, 143.

commanding role at the onset of the war. The main reason for this was that Abdullah possessed the only military with substantial experience, his Arab Legion which had partaken in the Second World War on Britain's behalf. The Arab Legion did achieve notable victories during the war in Gush Etzion, Jerusalem and Latrun, making it appear as if Abdullah had contributed in opposing partition. But, at a closer look, the facts were different; as Abraham Sela duly points out, "all of the battles with the Arab Legion were fought in areas outside the territory of the Jewish state, as designated by the UN Partition Resolution, including those fought in Jerusalem."[94] General John Glubb, who led the Arab Legion had made it perfectly clear to the British foreign secretary, at the command of Abdullah, that "[t]he Trans-Jordan Government had never intended to involve itself in any serious military operations at all, and it was fully aware from the first that partition was inevitable."[95] Abdullah, fundamentally, did honour his alliance with what had now become the state of Israel. The Arab legion refrained from combatting Jewish troops outside Arab partition zones, fought defensively when Arab villages in the West Bank were at stake, did not deter Israeli construction of a new road to Jerusalem, abandoned Arab strongholds within Israeli territory in Lydda and Ramleh, de facto colluded with the Israeli Defence Force against Egypt in the Negev, captured Bethlehem and Hebron from the Egyptians and generally actively prevented their forces along with Syrian forces to capture any Palestinian territory.[96] Such was the suspicion of Abdullah that Egypt refused to accept his support in liberating a besieged and heavily malnourished and under-resourced battalion in Faluja.[97]

[94] Abraham Sela, *From Contacts to Negotiations*, (Tel Aviv: Shiloah Institute, 1985), 23
[95] British Foreign Office, *The Trans-Jordan Situation*, 371/688-2, Public Records Office by John Bagot Glubb (London:1948).
[96] Flapan, *Birth of Israel*, 142.
[97] Amin Abdallah Mahmoud, *King Abdallah and Palestine*, (Cairo: 1959), 157.

One last factor that is important to examine in order to unveil the reality of the 1948 War is the formation of truces between the different Arab factions and Israel. Egypt was the first to establish contact with Israel in seeking a bilateral settlement in September of 1948. The Egyptian military performance had been generally unimpressive and it became apparent to King Farouk, who had unilaterally decided on the engagement of troops in Palestine much to the dismay of his government which had a much more pragmatic approach towards the inevitable partition, that he would have to try to conclude the war effort without incurring further humiliation. Again, Egypt's demands did not have anything to do with wiping out the Jewish presence in the region or saving the hundreds of thousands Palestinians who had become refugees overnight. The key aspect to any armistice agreement was to occupy the Palestinian area which bordered the Mediterranean (now more commonly known as the Gaza Strip) and a part of the southern Negev primarily to prevent Abdullah from expanding there.[98] But, if Israel's diplomatic attitude towards Abdullah had been somewhat dismissive and largely deceitful, then their approach towards Egypt bordered on disdain. Several months later an armistice was reached, forming the Gaza Strip and placing it under military administration. It should be noted that this was a drastically reduced iteration of the Strip that had been outlined in the UN's Partition Plan and that the majority of arable land had been confiscated by Israel and that, even then, Israel violated the armistice agreement as they continued to expel Arab inhabitants.[99]

Another episode that, although not quite as significant, but really quite illuminating in the examination of Arab approaches towards Palestine concerned Syria. Syria had undergone a military coup during the war that saw Husni Zaim come to power. These events are noteworthy

[98] Shlaim, *Collusion Across the Jordan*, 317.
[99] Benny Morris, *The birth of the Palestinian refugee problem, 1947-1949* (Cambridge; New York: Cambridge University Press, 1987), 243-47.

for three main reasons. First, the old regime which he had helped in overthrowing was seen in Syria as being responsible for the loss of Palestine, a sentiment which was obviously inflamed by those who had deposed them. Echoing his contemporaries as well as most Arab leaders since, Zaim deployed a vociferous rhetoric, promising to never cease the struggle against Israel. Upon coming to power, he became overtly eager to try to actually attain a bilateral peace settlement. The second issue which made the situation of significance was Zaim's proposal to entice Israel to come to a peace agreement with his regime. Zaim quite incredibly suggested that Syria would be willing to take in 300,000 Palestinian refugees. This was not a temporary measure by which he intended to pacify the Palestinian people until a point in the future in which they could return to their homes; rather, this was essentially a full-fledged peace proposal in which the Palestinians would find themselves a settled population within Syria. The third issue, which is not really within the scope of this analysis but should be pointed out, was the Israeli leadership's (mostly David Ben Gurion's) explicit resistance to any peace agreement. It has been a recurrent theme of the larger situation in the region that Israel has notoriously rejected any actual peace with most of the actors involved. Though the official reasoning was that Zaim wanted unreasonable border modifications, a temporary armistice that could re-erupt at any given moment seemed to suit a state that would become increasingly expansionist and militant over time. Thus Zaim eventually accepted the armistice on offer before being promptly overthrown.[100]

These events bring us to the final and most important truce, that of Abdullah and Transjordan. Chronologically, their armistice agreement was not the last to be made but it notably followed the one with Egypt. This, of course, allowed Israel to concentrate all efforts on the Eastern front of their war. Not that Abdullah had had any intention to make use of the

[100] Shlaim, *Collusion Across the Jordan*, 428.

division of Israeli forces but Israel had still needed to maintain a level of relations by which Abdullah would not be heavily antagonised. After the Egyptian front was settled, all civility with Abdullah was abandoned and he finally began to realise just how tenuous his position had been. Abdullah had, in the space of a few months, gone from being willing to make actual peace with Israel in spite of the Arab League, authoritatively demanding the inclusion of certain villages and towns into his kingdom, making claims to areas occupied by the Iraqi army and trying to dictate Israel's relations with Egypt to meekly accepting an armistice in the sake of preserving the gains he had achieved during the war, ceding claim to thirty villages in the Wadi Ara.[101] Abdullah's hopes of conquering the Arab part of Palestine and being seen as a saviour evaporated as his own administration started turning on him. Even more drastic for Abdullah was the huge demographic shift that had taken place in his domain. Palestinians now outnumbered Jordanian Bedouins 3 to 1. More crucially was the material position of these Palestinians, who had been violently dispossessed of their lands; however, what was even more problematic for the Transjordanian regime was their resistance to incorporation into Abdullah's kingdom. The Palestinian population widely viewed Abdullah as having betrayed their cause, facilitating their expulsion overtly in Lydda and Ramleh, trading off their villages in the Wadi Ara and actively opposing any attempts at national self-determination. By May 1951 the Transjordanian government extended national legislation into the West Bank in order to apply its policies on restructuring of land ownership and extend its taxation jurisdiction.[102] Two months later Abdullah was assassinated by the Palestinian nationalist faction.

[101] Flapan, *Birth of Israel*, 148.
[102] Michael Fischbach (1994), "The Implications of Jordanian Land Policy for the West Bank", *Middle East Journal* 48(3), 495.

Egyptian and Jordanian Administration of the Palestinian Territories

This final section of the general history of the Arab role within the larger Palestinian situation seeks to examine how the Palestinian territories were administered when they were under direct political control of these states. With Egypt and Jordan receiving de facto control over the Gaza Strip and the West Bank respectively, a state-centric or a nation-centric lens would expect convergence of interests and some absorption of the newly attained land and labour resources into Egyptian and Jordanian societies. But the lack of substantial development that occurred between 1948 and 1967 would leave such frameworks with but one conclusion to draw; that of Arab ineptitude. A lens that deploys class analysis, however, provides a more convincing explanation; that administration of the territories served someone and some purpose. There is of course a substantial factor that cannot be discounted when trying to evaluate the administrations of Gaza and the West Bank – namely, the role of Israeli militarism in inhibiting and retarding development. Persistent Israeli aggression has made it difficult to evaluate these administrations independently but, nevertheless, some general trends emerge in the governance of the Egyptian and Jordanian states. More specifically, there are two notable themes that illuminate the larger Arab approach towards Palestine. Primarily, the political economies of Gaza and the West Bank were ones that fostered relations of dependency and cultivated a paternalistic image that has always existed as an undercurrent throughout the entirety of the conflict. The second major theme is the neutering of independent national, political movements in Palestine. Subservience to the respective states was the most important aspect of any political organisation. The continuation of the emergence of these themes in the contemporary moment requires a historical examination of their origins.

With regards to the Gaza Strip, there are two essential points that ought to be taken into consideration prior to evaluating Egyptian administration. The first point is Egypt's approach to the refugee situation in the Strip. Unlike Jordan, Egypt did not intend to permanently absorb the Palestinian population and the extension of territorial boundaries into Gaza had been largely an attempt to stifle Jordanian expansionist aims. Similarly, the Palestinian population of Gaza, which was now largely comprised of refugees, had no intention on permanently relocating in Gaza and was naturally hostile towards any steps of integration.[103] The second crucial point is just how arid and unfavourable in terms of economic capacities the Gaza Strip was. The Clapp Commission, which was formed after the war of 1948 in order to resolve some of the humanitarian crises that had erupted, attempted to find economic opportunities for the refugees in the areas where they were concentrated in the Middle East. The only place where no opportunities were found was Gaza – ironically, the place with the largest number of refugees.[104] UNRWA was formed in response to these findings and was the largest contributor to humanitarian relief during Gaza's early years under Egyptian administration. It was extremely vocal during that period about the inability of the Strip to sustain its current population, or in fact its original population, stating that the area was "overpopulated and lacking any considerable endowment in natural resources" and that it was "too small and to provide a satisfactory livelihood for the original population."[105]

The Egyptian government effectively accentuated the problems that the refugee population was facing. Migration into Egypt proper was heavily restricted and thus even the limited opportunities in the Strip were weakened. As a result of an influx of a labour surplus, that

[103] Roy, *The Gaza Strip*, 80.
[104] United Nations, *United Nations Conciliation Commission*, by Gordon R. Clapp (Washington, 1949), 20.
[105] United Nations, *General Assembly Official Records*, 5th Session, Supplement 19, 9; and Neu, 173.

was not only vast but also quite educated, wages plummeted drastically in Gaza.[106] The political context of Egypt goes some way to clarify this negligence. The UN Palestine Commission having surveyed the region found that Egypt was "a society composed of a peasant majority and a minority of landowners living at the extremes of misery and opulence, with a few families represented by pseudo-political parties, the king, the army, and an intransigent Muslim hierarchy."[107] As a consequence of this heavily unequal society, there had been significant fomentation of domestic turbulence within Egyptian society with worker and peasant militancy and student activism were starting to brew. An additional discontented group being introduced into Egyptian society would have been disastrous for King Farouk and the ruling class of Egypt. In fact, one of the ways in which the legitimacy of this faction was propped up was through the depiction of the Palestinian refugees as a looming threat that put the Egyptian population at risk. Al-Ahram, effectively the state newspaper, described the refugees as "living in a society with no religion, no morals, and no community life."[108] As it were, the death knell rang regardless as the Free Officers instigated their coup in 1952 and overthrew the monarchy. This, however, does not imply that the migration policy changed much between the two regimes. The language of demonization persisted with a 1953 report from The Department of Refugee Supervision, Government Assistance, and Social Affairs describing Egyptian policy in Gaza as an attempt "to stop the decline into depravity or the rot of Satan or the fall into destruction which has already afflicted some of them…"[109] Such was the resultant desolation of the Palestinian refugees that many of them (an estimated 5,000 to 10,000) attempted to enter Israel in what the Israeli state

[106] Roy, *The Gaza Strip*, 75.
[107] Pablo de Azcarate, *Mission in Palestine, 1948-1952*, (Washington, D.C.: Middle East Institute, 1966).
[108] Ilana Feldman, *Governing Gaza : bureaucracy, authority, and the work of rule, 1917-1967* (Durham: Duke University Press, 2008), 128.
[109] Feldman, *Governing Gaza*, 129.

marked as ‘infiltrations for economic reasons.’. This was in spite of approximately 500 Palestinians being shot on sight annually throughout the early 1950’s.[110]

In fact it was only between 1955 and 1957 when Egyptian president Gamal Abdel-Nasser began to realise the strategic benefits of championing the Palestinian cause. In 1955 Israeli troops entered Gaza and attacked an Egyptian military base. The event, which would then escalate into the Suez war, would force the new Egyptian military regime to consider actual solutions to the problems in Gaza (though not to much effect). Until that moment, Egypt had reacted to Israeli incursions in Gaza against Palestinian nationalists by increasing repression of the Gazan population as a whole. Nasserist paternalism was reflected from Egyptian society onto Gazan society as all political parties were banned inside the Strip, in spite of the increased provision of social services. Political activities were allowed in Gaza only following the Israeli occupation of Gaza that had occurred in 1956 and ended in 1957 and, even then, subservience to the Egyptian state was a prerequisite. Gaza was granted a legislative council, which for five years after its formation in 1957 was chaired by an Egyptian official. By 1962, the chairmanship had been passed to a local Palestinian but half the representatives were still appointed by the Egyptian state.[111] Along with the formation of the Arab National Union in Gaza, the Egyptian administration had created two political outlets for the Palestinians, though both clearly created with the intention to supplement Nasser’s own political project.[112] Any alternative methods of political organisation during the time were largely thwarted, particularly as those affiliated with the Muslim Brotherhood and the Communist Party were arrested.[113] The flipside of this social contract was the introduction of basic social needs within Gaza but even then they were heavily

[110] Roy, *The Gaza Strip*, 69.
[111] Roy, *The Gaza Strip*, 72.
[112] Feldman, *Governing Gaza*, 86.
[113] Feldman, *Governing Gaza*, 85.

regulated so as to prevent any sort of political opposition. An instructive case is the provision of free education within Gaza and the increased allocation of resources towards schooling. These schools, however, were avenues of mass surveillance with Administrative reports showing plenty of instances in which principals were informed to ensure that their teachers were not promoting political activities.[114] With incidents of suspicion, the Egyptian Administration frequently responded by sending police officers to investigate and even imprisoning some of the figures deemed responsible.[115]

The formation of trade unions and a Women's Union was approved in 1964. Much like inside Egypt, however, the heads of these unions were selected by the state and quite clearly aligned with it, and restrictive measures were constantly being employed. [116] The most notable aspect of the political administration of Gaza by Egypt was the creation of the Palestinian Liberation Organisation in 1964. The PLO will be discussed in greater depth throughout this analysis but for now it should be made abundantly clear that it was fundamentally an Arab League sponsored organisation and one that "was not meant as a political vehicle for Palestinian Liberation, but as an instrument of Arab state control over disaffected Palestinian masses."[117]

The economic landscape reveals even more about the Egyptian management of the Gazan situation. As previously stated, the key theme of the political economy of Gaza was dependency. In 1954, money spent on imports in Egyptian pounds totalled at 1,345,000 whereas exports were at 424,000, making the balance of payments a deficit of 921,000. By 1966, this deficit had

[114] Feldman, *Governing Gaza*, 216.
[115] Ibid
[116] Joel Beinin, *Workers on the Nile: nationalism, communism, Islam, and the Egyptian working class, 1882-1954*, (Cairo: American University Press, 1998).
[117] Roy, *The Gaza Strip*, 73.

increased to 12.6 million.[118] Of course inflation can skew the figures quite drastically, so a better way to compare the two periods is by calculating exports as a percentage of imports. In 1954, this figure is approximately 32% whereas in 1966 the figure is 26%. This regression is even more difficult to fathom when taking into account that in 1954, the refugee crisis was effectively at its worst. Another quite indicative trend is the increase in UNRWA transfers in the twelve-year period, rising from 2.3 million to 3.7 million, in comparison to the money spent on Egyptian administration, which instead increased from 200,000 to 3.7 million. Once again, it is important to discount some of these increases due to inflation, as in late 1965 the rate of inflation in Egypt actually reached a peak during the Nasser period of around 17.4%.[119] For UNRWA spending there was a 61% increase whereas Egyptian expenditure rose by 175%. Part of that massive increase in Egyptian expenditure certainly was correlated to Nasser's shifting priorities and his increased interest in Gazan development. But viewed in conjunction with the regressing balance of payments, it becomes apparent that a political economy of dependence was becoming entrenched through Egyptian governance. This is further evidenced by the promotion of economic activity that does not seek to rectify the problems in Gaza but simply work with them. The illegal smuggling trade was indirectly promoted by the Egyptian state and migration into the Gulf was heavily encouraged. The service sector was expanded and new markets were opened to Gaza, but manufacturing and productive sectors were largely neglected.[120] The few industrial commodities produced in the Strip were either consumed by Gazans or by Egyptians. Gaza was actually designated a free trade area and hence could not provide measures of protectionism to

[118] All figures from Arieh Szekin (1969) "The Areas Administered by Israel: Their Economy and Foreign Trade", *Journal of Foreign Trade*, 3(5), 522-52.
[119] "Egypt Inflation Rate", *Trading Economics*, accessed January 24, 2019, https://tradingeconomics.com/egypt/inflation-cpi
[120] Roy, *The Gaza Strip*, 85.

stimulate its already negligible industrial sector. Agriculture dominated the Gazan economy and citrus production became by and large the only profitable crop in Gaza with its economy revolving substantially around it, making it in effect a monocrop economy. To make matters worse, citrus production is severely water intensive – a resource already lacking in Gaza. Such was the excessive nature of water consumption in the Strip that it was effectively equal to consumption in the West Bank, despite the quantity of agrarian land there far exceeding the quantity in Gaza.[121] All this contributed to a period of very scant development that was also extremely unbalanced. There is an argument to be made that Egypt was simply reacting to unforeseen circumstances but the reality was that the Nasser regime was responsible for the dissolution of the All-Palestine government that had existed previously and Palestinian self-rule was ruled out upon the formation of United Arab Republic. Even with the creation of the PLO, it was announced that political authority would be transferred to them but a formal transfer never took place. To put it simply, Gazan independence was not on the Egyptian agenda, in spite of the authority that being proponents of the cause provided.

The annexation of the West Bank by Jordan was different from Egyptian governance in Gaza in terms of the details though it largely engendered the same political and social relations that inhibited the Palestinian national movement. The key difference was the integration of the Palestinian refugees into the Jordanian economy. An important point should be noted in that the West Bank was not integrated into Jordan, but the refugees were integrated into the economy. Again, this analysis exists within the context of Israeli militarism and that had quite substantially deprived the West Bank of most of its fecund land. But, even then, the West Bank was still

[121] David Kahan, *Agriculture and water resources in the West Bank and Gaza, 1967-1987* (Boulder, Colorado: Westview Press, 1987), 3.

substantially more advanced economically upon annexation.[122] The dominant scholarly view of this predicament implies that the East Bank was favoured in terms of state investment and thus migration from west to east (as well as to the Gulf, a process which will be discussed in a lot more detail in the upcoming chapters) increased. In other words, the Palestinian refugees of the West Bank underwent a process of proletarianisation. Don Peretz describes state policy as follows:

> *The Jordanian government explicitly favored the East Bank in industrial and infrastructural (electricity, transport) development. This was located in the Nablus; other major projects including an oil refinery, potash plant and cement factory were placed on the East Bank. Businessmen were compelled to open new factories on the East Bank and sometimes to even transfer businesses there. The only major water development projects, the Yarmuk River dam and the east Ghor Canal, were located in the East."*[123]

The West Bank was made largely inhospitable as unemployment continued to rise and per capita income remained relatively low in relation to its Eastern counterpart. This was a method of disciplining the now Palestinian majority of the Jordanian population who were seen as "a bitter, impoverished, seething body politic, awaiting vengeance for the loss of their homes and land."[124]

The Jordanian state deployed a carrot and stick approach with regards to the integration and whereas the stick existed in the economic realm, the carrot was very much present in the political realm. Citizenship was granted to all of the Palestinian population, even if their passports were marked to distinguish them as Palestinians. There was even some integration of

[122] Don Peretz, *The West Bank : history, politics, society, and economy* (Boulder, Colorado: Westview Press, 1986), 33.
[123] Peretz, *The West Bank*, 34.
[124] Don Peretz, *The Middle East Today* (New York: Holt, Rinehart & Winston, 1963), 347.

Palestinians into the state apparatuses, but these positions were usually gifted as a reward to the Palestinians who had supported the annexation of the West Bank by Jordan. Palestinian elites were actively co-opted by the Jordanian state as they were granted provincial and governmental offices.[125] But even with these attempts at integration, Palestinians were still denied positions in "the most sensitive posts in the army, police, security apparatus, and in the royal palace."[126] In fact, Jordan was highly cautious regarding any initiatives of arming the Palestinians, who become more militant and mobilised, specifically in response to Jordanian apathy towards Israeli militaristic incursions, which were constant until the West Bank was entirely occupied in 1967.

A tumultuous political dynamic began forming as a result of the integration of the Palestinians in the political landscape of Jordan. These came to fruition in 1956 when the National Socialists won parliamentary elections, while several other radical groups made gains (the communist National Front, the Ba'athists and the Muslim Brotherhood). Among the first actions taken by the new parliament was disposing of one of the last vestiges of British colonial rule, general John Glubb who had commanded the Arab Legion during 1948. King Hussein's response to this new dawn was to dismantle it before it grew by dismissing Suleiman Nabulsi, arresting around 500 politicians and outlawing all political parties altogether.[127] Most of the most influential figures in the party landscape had been from the West Bank and it was the source of the radicalisation of Jordanian politics in that period.[128] The response was an increase in violence internally in Jordan and externally towards Israel, the culmination of which was the eruptions of 1967 and 1970.

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[125] Peretz, *The West Bank*, 36.
[126] Ibid.
[127] Peretz, *The West Bank*, 40.
[128] Ammon Cohen, *Political parties in the West Bank under the Jordanian regime, 1949-1967* (Ithaca: Cornell University Press, 1982), 251.

Conclusion

This chapter seeks to illustrate the genesis of the regional relations that have perpetuated this conflict to the present day. Through the three moments depicted, patterns that continue to persist start to emerge. Primarily, the contrast between public declarations and covert actions stands out through the 1930's and 1940's. The prioritisation of domestic class interests, in correspondence with imperial elites, was the defining factor in determining how the Arab Revolt and the 1948 war unfolded. Cooperation with Zionist leaders for pragmatic purposes at the detriment of the Palestinian Arabs was quite prevalent with King Abdullah being the chief orchestrator of this movement, though incidents in Syria and Egypt largely mirror this phenomenon. Following 1948, the administrations of Gaza and the West Bank set the stage for the relations of dependency and exploitation that have coloured the Palestinian experience since then. Denial of political agency and prevention of balanced and sustainable development were at the centre of the Egyptian and Jordanian approaches in the two decades that followed occupation, ensuring that an empowered Palestinian national movement never emerged but keeping it alive for self-serving ends, either as a potential threat or as a source of legitimacy and authority.

Chapter 3 - Exploitation of the Diaspora

Analyses of the Palestinian diaspora has frequently been deprived of a thorough political economy perspective. Too often it has been consigned to either one or the other, without much overlap. From a political standpoint, the spread of Palestinians across the Middle East is often portrayed as resulting from an indefinite condition of statelessness. It is in this domain that the notions of national, ethnic and religious commonalities are invoked in order to make sense of the absorption of Palestinian migrants within the Arab world. Economically, the issue is simply a result of a mutually beneficial transaction. The Palestinians, though plentiful and in possession of considerable human capital, simply do not have access to either land or capital. Conversely, the neighbouring Arab states, though either extremely rich in terms of capital (the Gulf) or in terms of workable land (Jordan), have a serious shortage of labour. Hence a natural agreement is reached that stands to benefit all parties involved. In true liberal fashion, both perspectives avoid the historical formation of these conditions, while also neglecting the intricacies within the sphere of production wherein profit is realised. The Palestinian diaspora has been a hugely exploitable group within several Arab societies who have benefited from their inability to return to their homes as a result of the Israeli occupation.

This chapter seeks to examine only one group within the diaspora; the population of migrants who would be legitimately employed within the formal political economy of the respective states in which they ended up. There's a substantial distinction between this group and the majority of Palestinian refugees which reside in camps. The dynamics of exploitation operate very differently between these two groups and this will be expanded upon in a later chapter. Furthermore, there is another distinction to be made between the Palestinians who were absorbed as part of the working class of these societies and the Palestinian elites who were integrated into

the hegemonic class in a way largely antithetical to the establishment of Palestinian autonomy. Again, this will be examined in another chapter.

The exploitation of migrant Palestinian workers in the Arab world has been a historically a fruitful avenue of accumulation for three reasons. Primarily, the stateless nature of Palestine migrants has perfectly suited the transitory model of labour migration that exists in several areas of the region. Secondly, as a highly educated population that already possessed a substantial degree of exposure to the relations of production of commodity society, Palestinian migrants have traditionally been utilised as a disciplining force against the local populations of these burgeoning states. Thirdly, through the manipulation of the mobility of the diaspora (either inward or outward), further tethers of dependency become entrenched between a prospective Palestinian national entity and its Arab donors.

The Case of the Gulf

Up until the 1990's when the second Gulf War was used as a pretext to expel the majority of the Palestinian diaspora, the Gulf states had traditionally been some of the largest absorbers of the dispossessed Palestinians.

In order to develop a more cogent understanding of this process, it is necessary to conceptualise the political economic structure of the Gulf states. There are fundamentally three classes that comprise this structure. The ruling families within the Gulf possess effective control over all land and resources and they serve a twofold function. Primarily, they grant internal access to these resources and derive rent through these relations. This is the basis of the oft used label 'rentier state' that is designated to the political economic structure of the Gulf. The second function of this class exists as a result of "a distinct intertwining of state and the ruling families

in a relation of indistinguishable organic unity", and in this sense the state is the guarantor of the external realisation of the accumulative process.[129] The majority of consumption is realised in the act of export of the region's primary resource: oil. The state thus operates as "an intermediary between the world capitalist order and the local economy and society."[130] The second class in this vertical hierarchy comes from the local population, who through acts of patronage by the ruling family, derive access to property and serve as an administrative class to the extraction of the resources that then enter the global market. The third sector of this structure, and the one with which this analysis is most concerned, is the working class. The working class has not always been totally dominated by migrants, though there has been a quite evident trend of a preference towards employing foreign labour power. Examining the history of this trend in concomitance with the dispersal of the Palestinian population sheds light on the political nature of migration in the Gulf.

Following the Nakba

Migration of Palestinians to work in the Gulf has taken place since the very beginning in 1948 and has happened in waves since. The first wave which immediately followed the Nakba largely concerned those who had the economic capabilities and the network of relationships to allow them to take residence in the Gulf. Even within a refugee population, there were still economic stratifications that govern the opportunities available. Aramco, initially a joint venture between Standard Oil of California and King Abdul Aziz Ibn Saud, was one of the first entities in the

[129] Abdulhadi Khalaf, "The Politics of Migration," in *Transit States : Labour, Migration and Citizenship in the Gulf*, ed. Abdulhadi Khalaf, Omar AlShehabi and Adam Hanieh (London: Pluto Press, 2015), 45.
[130] Ibid.

Gulf to see the benefit of employing Palestinian labour. The recruitment of Indian workers throughout the decade or so leading up to the Nakba had proved tumultuous and by March 1943 had culminated in the first ever organised labour strike in the history of Saudi Arabia.[131] The next couple of years saw the Saudi government try to limit the number of Indian workers, that indeed decreased from representing 15.8% of Aramco's foreign labour force in 1945 to 12.2% in 1948.[132] It is important to note that the recruitment of Arabs was never a priority for Aramco during that period and both Egyptians and Iraqis were "decried by the Saudis who feared an influx of nationalist agitators."[133] Instead the influx used to discipline the Indian workers were Italian internees from Eritrea, who were initially supplied with low wages and granted appalling living conditions.[134] Only when strikes started taking place (1945 and 1947) did Aramco start opening regional offices for recruitment. Aden and Khartoum were the main centres and by 1949, 898 and 428 workers were employed respectively.[135] At that stage there had been fewer than 100 employees from Palestine. In May of 1949, the King personally made it clear to Aramco that they should employ workers of Palestinian origin. He had even specified that he wanted at least 1,000 Palestinians to working at Aramco, a figure that exceeded the number of migrants of any other nationality (excluding American). By October, over 5,650 Palestinians had applied at a newly opened recruitment office in Beirut and by 1951 there were 940 contracted employees at Aramco, surpassing the amount of Yemeni and Sudanese workers (679 and 616 respectively). The Saudi government, under the instruction of the king, had let it be known that

[131] I. J. Seccombe and R. I. Lawless (1986) "Foreign Worker Dependence in the Gulf, and the International Oil Companies: 1910-50", *The International Migration Review* 20(3), 571.
[132] Seccombe and Lawless, "Foreign Worker Dependence", 572.
[133] Ibid.
[134] I.J. Seccombe (1986), ""A Disgrace to American Enterprise": Italian Labour and the Arabian American Oil Company in Saudi Arabia", *Immigrants & Minorities* 5(3).
[135] Seccombe and Lawless, "Foreign Worker Dependence", 572.

Palestinian labour should be integrated into the burgeoning oil sector and two more major Gulf oil companies, the Kuwait Oil Company and the American Oil Company, positively indicated to recruiters that they had a desire to hire Palestinian workers, while PDQ eventually followed their lead in the 1950's.[136][137]

This was very much in line with King Abdul-Aziz's policy regarding the Palestine issue during the immediate post-World War II period. Saudi policy had, like all other Arab states, been influenced to some degree by the desire to retain a public image of being supportive to the Palestinians. However, two other factors were far more influential. The first was the budding relationship with the United States who were at the very least perceived to be in support of the Zionist project. Abdulaziz in fact admitted in a private correspondence with the regional director of Trans World Airlines (who would later relay the message to the State Department) that his intentions were "never to let Palestine interfere with his relations with the United States" and that he was "talking big because everyone else is. It seems to be the most effective course."[138] Finding an immediate resolution to the refugee crisis that did not involve overt aggression towards Israel was highly beneficial to Saudi interests. The second factor was the rivalry between Abdul-Aziz and the Hashemites. Significant involvement in the 1948 War had always been seen by Saudi Arabia as potentially being beneficial to Abdullah's Greater Syria Project and thus minimal support was provided. There was a concerted effort by Abdul-Aziz to prevent Abdullah from consolidating the territory of the West Bank, having told him directly that he did not approve of such a plan in May of 1948.[139] The fight for Palestinian labour was an extension

[136] I.J. Seccombe (1983), "Labour migration to the Arabian Gulf: evolution and characteristics 1920–1950", *Bulletin (British Society for Middle Eastern Studies)* 10(1), 17.
[137] Seccombe and Lawless, "Foreign Worker Dependence", 573
[138] Maurice Labelle (2011), ""The Only Thorn": Early Saudi-American Relations and the Question of Palestine, 1945–1949", *Diplomatic History* 35(2), 265.
[139] Leslie McLoughlin, *Ibn Saud : founder of a kingdom* (New York: St. Martin's Press, 1993), 178.

of this struggle and Saudi Arabia moved swiftly as the war came to its conclusion in trying to bring over refugees.

Even more revelatory in how the Gulf approached the issue with Palestine were the trade relations established with the newly formed Israel. As early as 1951 there are indications of oil being shipped from Qatar to Israel. Initially small shipments of crude oil sent from Qatar to Haifa to be refined were discovered, with the empty tankers proceeding from there to Tripoli, Lebanon to continue shipping oil from the Iraqi Petroleum Company to other destinations. Kuwait then proceeded to join Qatar in shipping oil to Israel at a much higher rate. By the following year 268,000 tons were shipped to Israel and that figure more than doubled in 1953 with 600,000 tons being shipped.[140] This of course very much went against the public proclamations made the Gulf states in the aftermath of 1948 who had declared, led by Abdul-Aziz, that they would not engage in any economic relations with Israel. More problematically was the fact that a British political agent situated in Kuwait believed that the Kuwaiti Emir Abdullah Al-Salim was aware of the shipments and had adopted a policy of turning a blind eye.[141] Though eventually putting a stop to these shipments under concerns of being discovered and confronted by members of the Arab League, the landscape for the upcoming decade had already been set.

The substantial influx of migration in the immediate aftermath of 1948 largely consisted of people who had the economic means to travel from the Levant to the Gulf. The range of occupations which comprised this first wave were directly associated with the apparatuses of the state. As previously discussed with regards to Jordanian ambitions, there was a high demand for

[140] Rosemarie Zahlan, *Palestine and the Gulf States: The Presence at the Table* (New York: Routledge, 2009), 25.
[141] Ibid.

Palestinians who had been exposed to the transformative natures of state formation and capital accumulation. With the global wave of decolonisation in full swing, partial sovereignty was increasingly being realised in the Gulf and the consolidation of authority became an imperative.[142] Hence it was largely intuitive to import bureaucrats, accountants, police and army officers, and teachers who were familiarised with the processes of constructing the ideological and repressive apparatuses of the state.[143] This took place predominantly in Kuwait and Saudi Arabia. The latter also served as a lucrative venture for another faction of the Palestinian diaspora; merchants and capital owners. The lack of regulations were enticing to those who now sought new avenues for commerce and trade.[144]

Increased Migration in the Following Decades

The more prominent wave of migration to the Gulf took place in the 1950's and 1960's. The Palestinian peasantry – arguably the group which was hurt most by dispossession – attempted extremely difficult treks across the Arabian peninsula for the chance of employment in the Gulf. Shafeeq Ghabra summarises this plight, describing that:

> *"Those among the peasantry who came to Kuwait were forced to travel via the dangerous "underground railroad," which operated between the West Bank and Kuwait. During the 1950s, thousands of young male peasants, many as young as fifteen, came to Iraq this way. Then from Basra, they literally walked*

[142] David Dean Commins, *The Gulf states : a modern history*, (New York: I.B. Tauris, 2012).
[143] Shafeeq Ghabra, *Palestinians in Kuwait : the family and the politics of survival* (Boulder: Westview Press, 1987), 63.
[144] Helena Schulz, *The Palestinian diaspora: formation of identities and politics of homeland* (London; New York: Routledge, 2003), 64.

across the desert to Kuwait. Hundreds of others came to Kuwait in boats used by smugglers in the Fao area (Iraq). On the way, many of those who crossed the desert died of exposure and many of those who used the sea routes drowned."[145]

The peasantry, which had become ripped from its traditional means of subsistence, was forced to find new opportunities across the region. Moreover, the recreation of the relations that had sustained them prior to 1948 was not possible due to restrictions on land ownership in the majority of the countries to which they fled. Again, the theme of the Palestinians as a proletarianised people and as a force for proletarianisation was in effect during this period. With the prospects of finding employment as slim as they were, the Palestinian peasantry was obligated to seek whatever work could be found across the region "primarily as seasonal laborers in agriculture, in the building trades, or in the few industries which existed around the urban centers."[146] In Aramco, the number of Palestinian employees had grown exponentially since the initial recruitment, with almost 3,000 employees operating in their ranks. The construction sectors of the Gulf were another avenue for Palestinian employment as workers were brought in to build port, rail and residential facilities, while those who had previous experience working on oil refineries and railways in Palestine were imported in Saudi Arabia, Kuwait and Qatar for similar work.[147] Individualised service positions, such as seamstresses, tutors and house maids, were also increasingly becoming occupied by Palestinians.

The other group who became entrenched within the Gulf were members of the Palestinian bourgeoisie who found opportunities for penetrating the massive expansion of the energy economy. They were readily welcomed by these states (and Britain, who was still largely

[145] Ghabra, *Palestinians in Kuwait*, 63.
[146] Pamela Ann Smith, *Palestine and the Palestinians, 1876-1983* (London: Croom Helm, 1984), 93.
[147] Smith, *Palestine and the Palestinians*, 94.

in control due to the protectorate status of the majority of the Gulf countries) where "their knowledge of English and of international trading made them especially useful."[148] The presence of such figures in the Gulf was of course predicated by an inability to make inroads into the heavily enclosed Palestinian economy. For the Gulf, there was a substantial benefit of having entrepreneurial figures who were not locals as it deterred the prospect of a nascent local capitalist class that could content political power with the existing monarchies. Moreover, and this can be seen in the following chapter with figures such as Rafik Hariri, non-local Arab capitalists with ties to the Gulf's political class would eventually provide a valve through which Gulf capital could dominate the economies of their neighbours.[149] In the case of the Palestinian members of this group, they continued to become more active in the Gulf with almost 200,000 members of the Palestinian entrepreneurial class being present there by 1970.[150]

This initial influx of Palestinian labourers in the Gulf, however, was brought to a halt in the mid-1950's. Having become ingrained in a working class that was becoming more clearly established, Palestinian workers in the industrial sectors of the Gulf political economy developed and articulated demands. Strikes began and protests began to take place across the Gulf, with iterations in Qatar, Bahrain, Saudi Arabia and Kuwait. Labour militancy began to become even more bellicose due to two regional developments. Primarily, the Suez Crisis took place in 1956 and the issue was seen as part of the national struggle. Nasser, who had never hesitated to try and curry favour with the Palestinians, was championed and demonstrations that amalgamated the larger national struggle with the more personal work struggles began to take form.[151] The other

[148] Pamela Ann Smith (1986), "The Exile Bourgeoisie of Palestine", *MERIP Middle East Report* 142, 26.
[149] Adam Hanieh (2011), "The internationalisation of Gulf capital and Palestinian class formation", *Capital and Class* 35(1).
[150] Smith, "The Exile Bourgeoisie of Palestine", 26.
[151] Ibid.

notable development was the election of the Suleiman Nabulsi-led parliament in Jordan. The new coalition government, which had integrated numerous radical opposition voices, was pushing for progressive labour rights legislation. Most notably was the attempt to legally recognise trade unions. The ideas being proposed in Jordan naturally spilled over to the Palestinians abroad, since not only did it instigate an awareness that things were changing for their people, but many of them actually had family over in Jordan. These two reasons contributed to the substantial organisation of labour activism in the Gulf.

In order to contain labour militancy, two primary initiatives were enacted. Firstly, many Palestinians were simply and quite brazenly expelled as 160 workers were arrested and deported by the end of 1954 with an additional 100 arrested in 1955 under the pretense of "unauthorized political activity".[152] Additionally, many of those who remained were banned from working in "sensitive sectors" – i.e. sectors that had a high potential for worker organisation and activism.[153] These were mainly found in the industrial sector. The social nature of industrial work, especially industrial work that was internally divided along national lines, enabled these labourers to establish common grievances and then assert them in a political manner. Moreover, a lot of the industrial work in the Gulf revolved around the quintessential commodity in its economies – oil – and, as a result, any disturbances were highly detrimental. Thus these workers were expelled. Naturally, their expulsion was made easier due to their lack of state citizenship. The workers who were kept in the Gulf were either service sector workers or more skilled workers who were ensured better pay in the Gulf than elsewhere, such as engineers, urban planners, doctors, and educators.[154]

[152] John Chalcraft (2011), "Migration and Popular Protest in the Arabian Peninsula and the Gulf in the 1950s and 1960s", *International Labor and Working-Class History* 79, 41.
[153] Laurie Brand, *Palestinians in the Arab World* (New York: Columbia University Press, 1988), 126-127.
[154] Smith, *Palestine and the Palestinians*, 94.

The second measure was to try to control and regulate the migrants who were allowed to enter. Kuwait was at the forefront of this initiative. In 1958 – the same year when the suppression of Palestinians from working in certain sectors was enacted – Kuwait waived visa requirements for Jordanians who wanted to migrate. This enabled Jordanian citizens, more than half of whom were Palestinians, to enter Kuwait without prior work contracts.[155] By codifying such legislation, Kuwait was able to manage the official channels through which migrants flowed, instead of incentivising journeys through the underground railroad. Moreover, it meant that Jordanian state oversight was established for the migrant labourers and brought the issue under the domain of bilateral relations.

Throughout the decade that followed, in Kuwait – in which the Palestinian/Jordanian population comprised approximately a third of the expatriate population – more regulatory measures were enforced. In 1959, the first citizenship law was enacted, restricting the number of non-Kuwaiti residents in the country.[156] As the number of Palestinians began to increase and financially prosper, laws that prevented foreigners from competing with local holders of capital. In 1965, two significant pieces of legislation were passed. The first decree required that any industrial firms must be at least 51% owned by a Kuwaiti. The second went even further, stating that only Kuwaitis were allowed to own banks and financial institutions. Likewise, in Saudi Arabia, restrictions were placed on the social mobility of Palestinians. The Saudi government pressured Aramco into prioritising local entrepreneurs and contractors, and Palestinians who lacked "easy access to Aramco's capital subsidies and technical expertise as well as to government permits, import licenses, and development funds, found competition difficult."[157]

[155] Ann Lesch (1991), "Palestinians in Kuwait", *Journal of Palestine Studies* 20 (4), 43.
[156] Ibid.
[157] Smith, *Palestine and the Palestinians*, 101.

Reconstituting Labour Relations

After the 1967 war, these regulations would be ramped up to an even more drastic degree with the instatement of the sponsorship system. After the war and the occupation of Gaza and the West Bank, migration began to take a different shape. Previously, the majority of those who migrated to the Gulf were single men who only intended to access the Gulf as a source of temporary income. Very few Palestinians had any intention of taking residence permanently in these states and the Gulf states generally prevented them from doing so anyway. Remittances were regularly sent back to the families of these workers. With the changing regional landscape that was instigated in 1967, Palestinians began more proactive in trying to migrate as an entire family unit. This was even allowed in Kuwait. Whereas in 1957 only a quarter of Palestinians were women, by 1975 they were roughly half of the population.[158] Though evidently there was a clear relaxation of migration restrictions due to the increasing profits attainable from oil, it was managed quite rigorously. The sponsorship system (*kafala*) that was introduced in 1968/69 meant that residency could only be obtained through employment from the direct sponsorship of a Kuwaiti national.[159] Once employment with the sponsor ended, residency was also terminated. Moreover, the sponsor was responsible for all legal and financial matters of their foreign employee.[160] The familial nature of these migrations was also kept in mind with the establishment of the sponsorship system. Children of migrants who reached adulthood "had to

[158] Brand, *Palestinians in the Arab World*, 116
[159] Schulz, *The Palestinian diaspora*, 64.
[160] Are Hovdenak, *Constructing order : Palestinian adaptations to refugee life*, (Fafo Institute for Applied Social Sciences: 1997), 27.

leave the country, even those who had been born and grown up in Kuwait, unless they obtained their own individual sponsorship."[161]

The sponsorship system is at its core an instrument of class domination. By delegating power from the state or even to private entities to individual citizens, the struggles of the working class become atomised to an extreme degree. There is no organisation to be realised when the struggle is individualised in such a way. Additionally, the tether between residency and employment is a highly effective tool in the disciplining of this class. This disciplining becomes even more effective when the legal prioritisation of locals is always looming in the foreground. This manifests itself in two ways – either by replacing migrants if a local becomes available in the same position, or by coercing the migrants into accepting substantially lower wages by invoking that threat of replacement.[162] Since the sponsor is also delegated with the management of the judicial and financial affairs of the employee, he is also able to restrict the employee from looking for and moving to another employer.[163] Beyond that, the sponsorship renewed the ability for expulsion that was lost by granting Jordanian citizens the legal permission to migrate. Whereas stateless Palestinians had been historically much easier to deport, citizens of a state (Jordanian or other) had some protection. By codifying sponsorship, this became legally achievable without much restriction.

The implementation of the sponsorship system was quite timely from a Kuwaiti sense as it preceded two major events that contributed to the huge rise of migration to the Gulf during the following decade. The first event was the civil war in Jordan that took place between 1970 and

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[161] Ibid.

[162] Hovdenak, *Constructing order*, 47-50.

[163] Mohammed Dito, "Kafala: Foundations of Exclusion in GCC Labour Markets," in *Transit States : Labour, Migration and Citizenship in the Gulf*, ed. Abdulhadi Khalaf, Omar AlShehabi and Adam Hanieh (London: Pluto Press, 2015), 83.

1971. Following confrontations internally between the recently emboldened Fedayeen Palestinian forces operating within Jordan who were becoming more brazen, the Jordanian regime had to diffuse the threat to its legitimacy. Even more problematic was the constantly looming threat of Israeli militarism were the Jordanian regime to continue aiding the Palestinian militants. Eventually this erupted into an extremely heavy-handed crackdown by the regime to disperse the Palestinian resistance organisations from Jordan. During this civil war refugee camps were attacked and destroyed leaving many Palestinians with no option but to flee.[164] Many ended up in the Gulf. The second event was the huge oil boom that began in 1973. The price of a barrel of standard Saudi crude oil skyrocketed from $2.59 in January of 1973 to $11.65 within a year.[165] Additionally the ownership structure within the oil industry changed drastically, with OPEC countries wrestling substantial control of oil revenues from the foreign companies that had dominated the industry in the previous decades.[166] This ushered in a massive influx of migrant labour into the Gulf. Following the oil boom, migrant labour has constituted 50 to 70% of the workforce in Saudi Arabia, Oman and Bahrain, and 80 to 90% in the other Gulf states.[167]

The demographics of Palestinians in the Gulf were hugely affected by the surge. In 1969, the Gulf country which had the highest population of Palestinians had of course been Kuwait with a population of about 140,000. Saudi Arabia hosted the second largest portion with 20,000. The rest of the Gulf combined only had about 15,000.[168] By 1981, every single Gulf state had increased the number of Palestinians they were hosting, with more than a total of half a million

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[164] Clinton Bailey, *Jordan's Palestinian challenge, 1948-1983 : a political history*. (Boulder: Westview Press, 1984).
[165] Adam Hanieh, *Capitalism and class in the Gulf Arab states* (New York: Palgrave Macmillan, 2011), 43.
[166] Ibid.
[167] Maitha Shamsi, *[Evaluation of Labour Policies in the GCC]* prepared for "United Nations Expert Group Meeting on International Migration and Development in the Arab Region" (Beirut: Department of Economic and Social Affairs United Nations Secretariat, 2006), 61.
[168] Nabeel Shaath (1972), "High Level Palestinian Manpower", *Journal of Palestine Studies* 1(2), 81.

residing there by that point. There were almost 300,000 Palestinians in Kuwait, 137,000 in Saudi Arabia, 51,000 in Oman, 37,000 in the newly formed United Arab Emirates and 24,000 in Qatar.[169] Only in Bahrain was there a negligible amount of only 2,000. To put these numbers in perspective, there were in 1981 roughly as many Palestinians in the Gulf as there were in Israel and almost 100,000 more than in the Gaza Strip.

This increased dependence on the Gulf economies came at a time when the regional policy of these states indicated an increased acceptance of Israeli presence. Primarily Israel and Saudi Arabia found themselves operating on the same side for the first time with the war in the Yemen that took place throughout the 60's. Israel covertly provided the Saudi-sponsored Yemeni Royalists with ammunition, equipment and food against Egypt and the mutual enemy of Nasserism.[170] In order for this to happen, Israel had to fly through air space and there are indications to suggest that the head of Saudi intelligence, Kamal Adham, was aware that this was taking place and turned a blind eye to it.[171] Beyond the war in the Yemen, there were further private indications of Saudi acceptance of Israel as King Faisal supported Resolution 242 (which precluded recognition of Israel) behind closed doors as well as indications from Israeli intelligence reports stating that King Faisal had made attempts to establish a dialogue with Israel by the end of 1969 in order to reach some resolution.[172] This was happening concomitantly as Israel was allowing for the transportation of oil through territory it had acquired in 1967 in the Golan. The Trans-Arabian Pipeline transported oil from Dhahran to the Zahrani River delta in Lebanon, and part of the area that the pipeline crossed was now under Israeli occupation. Israel,

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[169] Smith, *Palestine and the Palestinians*, 92.
[170] Asher Orkaby (2015), "The 1964 Israeli Airlift to Yemen and the Expansion of Weapons Diplomacy", *Diplomacy and Statecraft* 26(4).
[171] Elie Podeh (2018), "Saudi Arabia and Israel: From Secret to Public Engagement, 1948–2018", *The Middle East Journal* 72(4), 568.
[172] Ibid.

however, forewent any royalty payments for these oil transfers and through American co-ordination, these flows persisted smoothly until 1975 when alternative, more efficient methods were developed.[173] Though there is the appearance of the halting of this co-operation with the oil embargo that coincided with the 1973 October War, the reality is that immediately prior to the war Kamal Adham had corresponded with the US ambassador in Cairo to let him know that the elimination of Israel was not "a legitimate aspiration".[174] Furthermore, the embargo was lifted in spite of none of his three demands that pertained to Palestine, total Israeli withdrawal from all the Occupied Territories; international recognition of the Palestinian people's right to self-determination; and the affirmation of the Arab character of Jerusalem, had been met.[175]

The 1970's saw a rise in the calls for Palestinian statehood and sovereignty that the Gulf states would eventually play an active role in hindering. The traditional approach used by these states, led by Saudi Arabia, was to try to control the Palestinian national movement, not oppose it. Radical Palestinian factions such as the Popular Front for the Liberation of Palestine and the Democratic Front for the Liberation of Palestine had always been seen as a threat to the regional hegemonic order, and by funding the PLO and Fatah, the more extreme iterations of Palestinian nationalism could be curtailed and molded into a useful entity. In Kuwait, the "PLO office in Kuwait worked closely with the government to prevent the infiltration of radical groups".[176] The PLO was strengthened by a deduction of 5% of Palestinian salaries as a tax for the Palestinian National Fund, organised and controlled by Fatah. This support was reciprocated by the PLO's

[173] Asher Kaufman (2014), "Between Permeable and Sealed Borders: The Trans-Arabian Pipeline and the Arab-Israeli Conflict", *International Journal of Middle East Studies* 46(1).
[174] Kaufman, "Between Permeable and Sealed Borders", 569.
[175] Podeh, "Saudi Arabia and Israel", 569.
[176] Lesch, "Palestinians in Kuwait", 44.

reduction of general political mobilisation by the diaspora as well as support for the Kuwaiti regime in external affairs.[177]

By the late 70's, however, the Palestinian population had become increasingly radicalised. Communist party members had won several important posts in municipal elections in the West Bank in 1976 and even aristocrats in Jordan who had been in favour of Hashemite control of Palestinian land had "begun to declare openly their support for the PLO and for the creation of a separate Palestinian state in the West Bank and Gaza."[178] The Gulf states pursued a two-part solution to this. The first part was to eliminate the manifestations of this movement locally. The Kuwaiti Education Ministry decided to close the separate PLO schools in 1976 in order to crackdown on this fomenting political consciousness.[179] The other approach was to try and further consolidate PLO control of the movement. In 1978, at an Arab League summit in Baghdad, an annual sum of $250 million was allocated to the PLO as a means to maintain their confrontation of Israel.[180] About a third of the aid, which also consisted of $1 billion to Jordan and $2 billion to Syria, was provided by Saudi Arabia.

The End of Palestinian Migration in the Gulf

The 80's were the date of expiration for the value of Palestinian labour power in the Gulf. The meteoric rise of oil prices of the previous decade had subsided and a recession had crept forth.

[177] Schulz, *The Palestinian diaspora,* 65.
[178] Smith, *Palestine and the Palestinians*, 104
[179] Lesch, "Palestinians in Kuwait", 44.
[180] "Saudis and The P.L.O. are at Odds over U.S." *The New York Times*, February 21, 1982, https://www.nytimes.com/1982/02/21/world/saudis-and-the-plo-are-at-odds-over-us.html

Palestinians bore a large brunt of that cost. Palestinian firms that operated in the Gulf were often the last to be paid as government contacts were becoming frequently cancelled or delayed.[181] Restrictions on Arab migration into the Gulf was heightened once more, as the backdrop of the Lebanese civil war and Israeli invasion of Lebanon constantly creating more displaced refugees. These patterns were pervasive across the Gulf as "pressure in Kuwait, Qatar, the United Arab Emirates, and Saudi Arabia to reduce the amount of work given to nonnationals grew as a result, and by mid-1985, many Palestinians were being barred from entry."[182] The other crucial development in the global political economy that had rendered the Palestinian working class in the Gulf relatively disempowered was the emergence of the South Asian labour market as a source of migrant labour in the Gulf. This served two distinct purposes. The first was economic. Simply put, South Asian workers were cheaper to employ. Moreover, they were accustomed to moving without their families and did not largely intend for extended periods.[183] In addition, the inability to understand the language meant that organisation or institutional interaction were a lot more difficult. The second purpose was political and it was in response to the increasing radicalisation of the Arab population. The late 70's up to the 80's were filled with events in the Middle East that galvanised several factions in the region. Primarily, related to the Palestinian issue was the Egyptian peace agreement in 1978, the two Israeli invasions of Lebanon in 1978 and 1982. Outside of that was the spillover of the Iranian revolution and the Iran-Iraq War of 1980. Particularly relevant to the Gulf were the bombings of the US and French embassies in Kuwait by Shia groups in Lebanon and Iraq.[184] Avoiding affiliates of such radical groups

[181]Smith, *Palestine and the Palestinians*, 105.
[182] Ibid.
[183]Khalaf, "The Politics of Migration", 47.
[184] Hanieh, *Capitalism and Class*, 63.

become integral to the Gulf states and by 1985 there had been a reduction of Arab migrants from 72% of the total migrant population ten years prior to 56%.[185]

The final nail in the coffin for Palestinian life in the Gulf came with the Iraqi invasion of Kuwait in 1990. The Palestinian population in Kuwait had never been unified in support for the Iraqi occupation, though in some circles Saddam Hussein, who had actively tried to take the mantle previously held by Nasser as the leader of the Arab world and the primary supporter of the Palestinian cause, was considered an important ally. The PLO had abstained in the Arab League vote and had advocated a regional solution as opposed to heavy American military involvement.[186] Inside the Palestinian community in Kuwait, only small minorities were overt in their support for Iraq. Most were quite cognisant about the tentative nature of their residence in Kuwait and avoided taking distinct political positions with regards to the situation. Despite that, there was some Palestinian involvement in the Kuwaiti resistance with the PLO and Fateh offices in Kuwait even organising a demonstration in support of the Kuwaiti Emir in August of 1990.[187] The resentment that was brewing in Kuwait towards the Palestinians largely emanated from the fact that they did not cease to engage in economic activity during the occupation. Many Palestinians continued performing their jobs or performing commerce and trade. The obligation for Palestinians to keep working came from the simple fact that they could not afford to stop. Palestinians in Kuwait had always received lower salaries than locals and were not eligible for government stipends, social allowances and pensions.[188] Hence the Kuwaiti calls for boycotting work were frequently untenable and the Palestinian teachers, in particular, continued to perform

[185] Andrzej Kapiszewski, "Arab Labour Migration to the GCC States", in *Arab Migration in a Globalized World* (International Organization for Migration: 2004), 115-133.
[186] Schulz, *The Palestinian diaspora*, 65.
[187] Lesch, "Palestinians in Kuwait", 45.
[188] Central Intelligence Agency, *Palestinian Presence in the Persian Gulf*, (Virginia, 1983), https://www.cia.gov/library/readingroom/docs/CIA-RDP84S00556R000300070003-4.pdf

their jobs. Despite that, modern estimates suggest that a 70% majority of Palestinians did participate in the boycott, though the 30% minority was highly visible.[189] Following the end of the occupation, upon numerous acts often directed at random towards Palestinians, almost 350,000 Palestinians out of the 400,000 that had previously lived there were exiled from Kuwait.[190]

Conclusion

Palestinian migration to the Gulf was not the coming together of market forces but rather a political project. Primarily, the dispossessed Palestinians provided an opportunity for the Gulf states to take advantage of a population with bureaucratic and labour insights, as well as an exposure to foreign practices and techniques through which communication with the American and British interests was possible. This active demand became apparent immediately through King Abdul Aziz's personal demands in the immediate aftermath of 1948. This served the additional purpose of earning regional goodwill as being a supporter of the Palestinian cause. This of course went against the contemporaneous economic relations with Israel that were entrenching its position as a regional power. Moreover, as a stateless population without many alternative options, the Palestinian population was much more containable than other nationalities and the Gulf was more than content to deploy an ebb and flow of repression and incentives as a method of regulating them. Mass deportations were enacted with Palestinians at a much higher rate initially during the 1950's and then again following the Gulf War. During that period, mutual interests between the Gulf hegemon Saudi Arabia and Israel started cropping up

[189] Lesch, "Palestinians in Kuwait", 47.
[190] Nader Fergany (2001), "Aspects of Labor Migration and Unemployment in the Arab Region", *Almishkat Center for Research, Egypt*, 7.

and the lines between tacit and overt cooperation became increasingly blurred, once again empowering Israel vis-a-vis its enemies in exchange for economic benefits. The Gulf's cultivation of political and economic dependency with regards to the Palestinians further allowed for the neutering of a pronounced national movement as the PLO was propped up when needed and discarded once surplus to requirements.

Chapter 5 - Conclusion

With this analysis covering more than half a entire and traversing a number of states, it is important to restate the intended objectives of the research and display how the cases form a larger picture that addresses the primary question of the research: how have the Arab states realised political and economic utility from the extension of this conflict and how has their behaviour in the materialisation of these opportunities led to the extension of the conflict?

This investigation fundamentally stood on three different pillars. The first two pertain to the opportunities that such a conflict provides for the actors involved, politically and economically. The interplay between these two avenues is the foundation for this analysis, if it could be discerned that the political economy of the conflict has been of benefit to these regional actors then there is a solid basis for investigating their agency in creating the terms for their profiteering. And this is the third pillar of the research: the cooperative measures deployed by these actors with the agents of occupation and the ways in which these actions have made a reversal of the occupation or a settlement of the conflict untenable.

In order to construct an analysis that appropriately addresses these three issues, it was imperative that the particular historic moments were regarded both distinctly but also as part of a larger whole. The power relations within the Middle East have quite overtly shifted since 1936 and thus different moments have involved different actors. In the midst of crumbling European empire in the first half of the 21st century, new factions arose to facilitate the transfer of power into the hands of the nascent national ruling classes. The underlying tensions that characterised this scramble came to the fore twice, first in 1936 and again in 1948. Both underscore a contradiction that remains endemic to the Middle East; that of the necessity to uphold an appearance of national and religious unity against the naked class interests that are predicated on

regional and domestic exploitation. Co-operation with the Zionist faction in the lead up to partition is only unique insofar as it is in opposition to the belief embedded in the heart of Arab nationalism that Zionism must be opposed. In actuality, it is merely an extension of the deference to which Arab ruling elites have paid to the possessors of capital and arms, from which their political authority can be litigated.

Examining the historic pre-conditions for the conflict is essential for uncovering the reality behind what Palestine represents in the Arab national mythology. The Nakba, which literally means catastrophe, has become conveyed over time as a sort of uncontrollable disaster that afflicted the entire Arab world. The evidence quite pointedly refutes this myth by identifying quite clearly the actors responsible in creating its preconditions and the ways in which they attempted to manipulate it. Whether through the neutering of a militant national movement in 1936 by the Husaynis and the Nashashibis, in accordance with their patrons in Saudi Arabia, Iraq and Transjordan, or through diplomatic negotiations with those who wished to dispel the Palestinians in the lead up to 1948, there is substantial evidence to prove that there was no united front intent on preventing the Nakba, but rather a coming together of forces that intended to manipulate it for personal gain. With King Abdullah's explicit co-operation and the Egyptian ruling bloc's tacit relations, it became quite apparent that the Palestinian national cause was not only far from being a priority, but that inhibiting it could be highly beneficial for the state formation and capital accumulation interests of these respective factions. As a result, a land grab ensued, in which the confrontation between the soon to be established Israeli state and these groups were either of trivial symbolic value, or due to encroachment on territory that these Arab states had coveted for themselves. Thus the original sin that is so central to Arab mythology with regards to Palestine was not an external event that they could not prevent, but rather a process

that they were involved in engendering through indifference or covert scheming. Everything since has been an exploitation of the conditions that they were complicit in creating.

Moments of crisis are simultaneously moments of opportunity and the dispossession of the Palestinians provided numerous openings for regional actors. Hashemite administration of the West Bank ensured that the Palestinian population could be transformed into a working class as a force through which the Bedouin population could be disciplined and as a means to creating a settled population in the new state of Jordan. Additionally, measures of uneven development ensured that the East Bank would receive massive privileges in the form of infrastructure and natural resource supplies that would force the migration of the Palestinians. Likewise, in the Egyptian administration of Gaza, needed resources were withheld from Gaza and supplied when it was politically expedient. The initial negligence of the Strip and the creation of an image of the refugees as an impending security threat was eventually altered as Nasser utilised the Palestinian issue as an appendage to his campaign for domestic and regional legitimacy, though the Palestinians were never granted the same right as their Egyptian counterparts and any political activity was endlessly regulated by an overbearing paternalistic Egyptian state. The result was a diminished Palestinian resistance and in its place a controlled opposition that eventually sold away all the demands and aspiration of those who they represented.

The creation of a stateless Palestinian diaspora was also a profitable avenue for the Gulf states whose political economies are based on a distinct division of labour for citizens and migrants. Personally requested by King Abdul Aziz, numerous oil companies would make use of this existing labour force which effectively had no recourse and by which they could substitute the alternative migrants who had become unruly and problematic. This is one of the particular cases where agency can very much be established as not only is it on record that highly

influential figures demanded the existence of a Palestinian presence, but through trade relations with Israel, it was ensured that the supply would continue to exist. And with this a trend was developed for the Gulf states, who frequently found themselves on the same side as Israel in an intense regional manifestation of the Cold War despite the continuing pretense of opposition. With the informal intelligence cooperation in Yemen, the condoning of the Trans-Arabian Pipeline by Israel and the lack of enforcement of the demands of the oil embargo, both sides of this 'conflict' found themselves benefiting greatly through their mutual lack of hostility.

This corresponded with the waves and troughs of Palestinian migration in the Gulf which was malleable in a way that few groups were. The initial wave following the Nakba was followed by mass deportations in the late 50's as the worry of the spill over of Palestinian nationalism became more pronounced for these monarchies. With the reconfiguration of labour-state relations and the developments of methods of regulation through the institution of the Kafala system, a new upsurge took place as the oil boom created a great demand for migrant labour. But as globalisation dawned, it became apparent that exploitation of this notoriously belligerent labour force was not feasible and through the huge expulsions that followed the Gulf war, as well as the replacement of Arab labour with the drastically more fragmented South Asian labour, the Palestinian presence was effectively eradicated in the Gulf.

With all this in mind, one can begin to understand a fundamental aspect of the Israeli occupation. Though the dynamics and relations have changed through the decades, the constant factor that transcends all the singular episodes is that the regional actors have positioned themselves in a way where they can benefit from it without actually risking anything with regards to their individual political economic interests. Again, this isn't a revelation on its own terms but it is vastly contradictory to the unique character of the Arab world. The implicit

assumption of soildarity with the Palestinian cause is a central tenet of Arab nationalism, as can be found in numerous public statements and diplomatic documents discussed throughout this analysis, in a way that is hard to find in any other trans-state national identity. When the reality so brazenly defies the ideal conception, other aspects of Arab national identity come into question.

Furthermore, the understanding of this concealed dimension can illuminate several contemporary phenomena. The discourse on "normalisation" has painted the shift as a rupture from previous policy. Much is made of the Khartoum Resolution of 1967 and the three No's (peace, recognition, negotiation) and hence normalisation is conceptualised as something new. But cooperation with Israel has existed from before it was even formally a state and has persisted since. Normalisation is merely the collapse of a pretense that no longer needs to exist. The cycles of capital and labour have always flown through Israel and the Arab states, collusion has always covertly existed to ensure these flows. However, with the disempowerment of the Palestinian national movement and the forceful counter-attack in the face of the uprisings of 2011, the need to cloak these relations barely still holds. Especially with a pretext of a looming cold war with Iran and its allies, recognition of Israel as a means of ensuring an alliance against a common enemy has become exceedingly more palatable.

The cases outlined in this analysis are far from the only areas where the Arab states have reinforced occupation. Israeli militarism has provided avenues for the accumulation of Gulf capital through the process of reconstruction in several parts of the Middle East, most notably so in Gaza and the West Bank themselves, and arguably in Lebanon. The export of technologies in which Israel leads such as drones and cyber-security infrastructure to the Gulf states, either directly or through a mediator, has become more prominent. Energy trades between Egypt and

Israeli have become well documented in a way that elicits no outrage as it once may have, while security cooperation in the Sinai has become a formality. The Qualifying Industrial Zones with Egypt, Jordan and Israel have also become an acknowledged part of the regional political economy.

Most significantly, however, are the newly conceived proposals by the current American administration with regards to the "deal of the century". The Trump-led "Peace to Prosperity" Conference that took place in June of 2019 saw a congregation of political figures, diplomats and investors from across the region. Though Israel did not send any government officials, plenty of business figures were in attendance face to face with their Arab counterparts. The notable aspect of the conference was the absence of any discussion regarding ending the occupation, granting the Palestinians self-administration and self-determination, the right of return or frankly any of the political dimensions of the Palestinian situation, instead focusing purely on the business aspirations of the present figures. With the context of the preceding analysis, one can see that this is not a unique occurrence but rather the natural extension of a process decades in the making. Israeli occupation has now been revealed to be, clearer than ever before, a massive boon for the ruling blocs of the Arab world and to expect this class to act outside their interests would simply be delusional.

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