



Class Formation under Settler Colonialism

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Abstract

The paper focuses on the conditions and processes that have shaped and conditioned class formation in the West Bank and Gaza Strip (WBG) that were occupied in 1967, with special attention on the emergence of the new middle class. Reference to middle class has gained popularity in Arab writing in recent years out of two main concerns: First, a presumed importance of the middle class to “development”, democracy and political stability in the countries of the region; and second, using the condition (real or imagined) of the middle class to diagnose presumed ills facing society in these countries. The prevalent assumption is that the existence of a large middle class is a necessary condition for stability, democracy and economic development. A known Egyptian economist titled a book of his in the nineties “Farewell to the Middle Class”, and it warned of dire consequences resulting from the contraction of the Egyptian middle class resulting from the adoption of neo-liberalism. Fears (mostly by the middle classes themselves) of the catastrophic consequences of any shrinking of the new middle classes are common in poor Arab countries like Egypt and Jordan, as well as in rich countries like Saudi Arabia. Many thought that recent Arab popular uprisings were led by the new middle class, and see in this class a force for justice and freedom. Yet there are hardly any recent serious studies that have examined the dynamics of class formation in the Arab countries. This paper is an attempt to outline class formation in the West Bank (WB i.e., central area of Palestine) and Gaza Strip (GS i.e., the southern tip of Palestine) particularly following their occupation by Israel in June 1967.

Keywords: Social Security; The Old Middle Class; Class Formation; Neo-Liberalism

Abbreviations: WBG: West Bank and Gaza Strip; UNRWA: United Nations Relief and Works Agency for Palestine Refugees; NGOs: Non-Governmental Organizations; PCBS: Palestinian Central Bureau of Statistics; PLC: Palestinian National Council.

Defining the New Middle Class

The operational definition of the new middle class adopted in this paper is informed by two basic criteria: First, conditions usually prevailing at work which differentiate the

new middle class from other classes, particularly the petty bourgeoisie (the old middle class) and the working class in terms of mode of payments (cash or by bank transfer, degree of job security, opportunities for job mobility, availability of social security, prevailing environment at work. Second, the possession of “cultural capital” is a distinguishing mark of middle-class occupations in contrast to the possession of other forms of capital. Cultural capital denotes high education and specialized training that individuals acquire in order to qualify for middle class occupations [1-3]. These two criteria mean that it is not income that differentiates the new middle

class from the working class, the petty bourgeoisie (the old middle class) or the bourgeoisie (owners of property and/or capital). Defining the middle class as the strata with middle income does not help in indicating the type of relations that the middle class have with both the labor and commodity markets.

Some strata of the middle class (e.g., school teachers, secretaries, clerks, etc), may have less income (averaged monthly or annually) than some manual workers, or artisans. This, in fact, was the case during the seventies and eighties in the WBS when Palestinian workers employed in Israel (whether inside the Green Line or in Israeli settlements) had noticeably higher wages than many middle-class Palestinians working in West Bank and Gaza Strip including school or university teachers. The higher wages of Palestinian workers in Israel (compared to those employed in the WBG) diminished differences between the middle class and the working class in consumption (food, clothes, etc.) and possession of durable goods, but not differences in the work situation and conditions nor in terms of benefits accruing to those employed in new middle-class occupations [4].

The Making of the Palestinian Middle Class: a Brief Historical Sketch

A new Palestinian middle class emerged during the British Mandate in the major Palestinian coastal towns and in Jerusalem. This was related to requirements of the colonial state, the changing economy of Palestine as a result of its deeper integration into world capitalism, Zionist colonization, the ongoing urbanization, the expansion of local education (including missionary education), and the investment of landowners-merchants' in the university education of their sons and daughters [5-7]. In the 1940s the new middle class formed between 10%-15% of the Palestinian employed labor force, the same percentage that existed for Palestinians in WBG in the 1980s. The contradictory forces generated by settler-colonialism and Palestinian nationalism were reflected in the patterns of consumption of the emerging Palestinian middle class in the 1940s. A similar process can be noticed today.

Palestinian Communities in Limbo (1948 And 1967)

The states of dispossession and statelessness that were imposed on Palestinians following the Nakba in 1948 made education an asset to be sought. Free basic education was provided to Palestinian refugees by the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), and education was provided also Jordan which granted citizenship to Palestinians in West Bank (including refugees),

and by the pan-Arab regimes (Egypt, Syria, Iraq) which provided free university education to Palestinians (refugees and non-refugees). One immediate consequence of the Nakba was the annexation of WB by Jordan, and was its integrated into Jordan's economy and political field. The GS came under Egyptian administration, but retained, unlike the WB, its Palestinian identity [8].

In Jordan, a discriminatory policy was adopted towards the WB [1] which entailed restrictions on its economic growth, impacted its social classes, freedom of association, trade union and political activity (e.g., political parties were banned in 1957- except for the Moslem Brotherhood - and continued to be so till 1992 when the ban was lifted. Conditions of higher unemployment (reaching 30%) in the WB than the East Bank promoted a high rate of emigration from the former to the latter and to the Gulf region and further abroad [9,10]. Urban growth was a process limited to the East Bank, particularly to Amman, and Zarqa. Palestinians were given leeway in the economic field but were only controlled access to high positions in the political, military and security apparatuses of the state. In 1961 those with white collar occupations comprised about 8% of the employed labor force in the WB, and the "petty bourgeoisie", mostly employed in small commodity production, formed a third of the employed labor force.

While petty commodity production played an essential role in the economy of the WB during Jordanian period, it had limited importance in the economy of GS under Egyptian control. Palestinian capital in the WB remained family based and local in character, a fact that facilitated attempts by the central Jordanian government to obstruct a possible emergence of a Palestinian national leadership there [11]. The Gaza Strip's population tripled as a result of influx of dispossessed refugees from the southern part of Palestine. Unlike the WB, the Strip retained a degree of autonomy as a Palestinian territory densely populated which explains-together with the availability of free university education in Egypt-the striking role it played (through new middle class labor emigrants to Egypt and the Gulf) in the re-emergence of Palestinian nationalism.

Unemployment in GS remained very high during this period, and the availability of a large reserve of unemployed labor with agricultural skills stimulated investment in land reclamation and in agriculture. Egyptian regulations permitted citrus exporters from Gaza to import commodities up to the value of their exports, which made wholesale trade a monopoly of the large landowners. This enhanced their standing with Egyptian administration resulting in the appointment of their relatives in municipal positions (a source of middle-class occupations and status) [12,13].

The large land owners in GS were also the big merchants. The number of shops and trading centers rose from two thousand in 1961 to ten thousand in 1966 pointing to the presence of a relatively large petty bourgeoisie, active in small commodity distribution unlike the WB where they mostly engaged in small commodity production [14-16]. In GS crafts declined sharply between 1948 and 1967 and agriculture became dominated by export-oriented capitalist citrus plantations which employed a sizable section of the working class. Transfers from family members abroad-which doubled between 1961 and 1966-and the welfare assistance provided by UNRWA helped a large percentage of the population in the Strip to survive [17].

The Israeli census of the population of the WBG in September 1967 records that a third of all the families in the WB and a quarter of those in GS had sons or daughters working or studying abroad. Regardless of the degree of accuracy of the census what marks the 1948-1967 period, is the sizable flow of labor emigrants from WBG to other countries, particularly to the Arab Gulf. Emigration remained the main gate to new middle classness [18,19].

Class Formation under Settler-Colonial Rule (1967-1993)

The Israeli occupation of the WBG coincided with the emergence of a new Palestinian national movement (represented by the PLO) with headquarters outside Mandate Palestine. The new movement was able to develop quickly a mass base outside Palestine (mostly in refugee camps) and later in WBG and other Palestinian communities. The invading Israeli army faced in the WB a society with a scattered and feeble economy, hardly any autonomous civil society organizations, a very small and docile middle class, a large but unorganized working class, a largely conservative petty bourgeoisie, and a ragged family-based bourgeoisie. The WB lost, as a result of the war in 1967, sizeable amounts of its financial capital, and about a quarter of its population who left between June and November 1967, mostly for fear being cut off from their sources of income (in Jordan and the Gulf States) [20-25]. The military occupation cut the GS from its trade and tourism with Egypt. Israel immediately proceeded to annex East Jerusalem, to tighten its control on all spheres of life but retaining the existing local councils in an attempt to ensure the co-operation of local influential families and to guard against the emergence of a national leadership. It chose an "open bridges" policy with Jordan, and opened its labor market to Palestinian unskilled and semi-skilled labor.

By September 1973 over a third (34.7%) of the active labor force in WBG was employed ("legally" or "illegally") in Israel, and this continued into the eighties where a third of

the active labor force of the WB and a half of that in the GS was employed in manual work in Israel at lowest strata of unskilled and semi-skilled labor [26]. Emigration from the WBG continued unabated. Between 1970 and 1985, which represented the peak of Palestinian emigration from the WBG to Arab oil-producing States, the net annual growth of the population was between 1.5% and 3.0% while the natural increase was between 3.5% and 4% per annum.

1967 Occupied Areas; a Reservoir of Cheap Manual Labor and Emigration Represents the Main Mechanism for Middle Class Formation

Between 1970 and 1993 WBG employment in Israel grew by an annual average of 6.3% compared to 1.8% in the Palestinian labor market. With the spread of wage labor, extensive land confiscation, and the increase in university education, two processes became noticeable; a process of significantly enlarging the size of manual workers [27-30]. In addition to those who commuted across the Green Line for work, others were employed in the WBG in stone quarries, brickworks, textiles-producing for the Israeli market through sub-contracting. During this period the relative size of the new middle class in the WBG remained more or less unchanged; approximately about 12% of the total employed force. However, the new middle class was being formed outside the WBG.

A survey (conducted in 1999) of nineteen communities in WBG showed that 49% of the households surveyed reported one or more emigrant members of the immediate family. This is probably an underestimate as it does not take in consideration families that have left no members behind. The survey also disclosed a clear correlation between the social class situation of the family and its having one or more of its members being emigrants [31]. Both very poor and well-off households had higher rates of emigrants, compared to households which were classified as poor or of medium economic situation. The very poor sought emigration to escape poverty and the well off and wealthy sought emigration to maintain or better off their class position.

In Israel "unskilled jobs came to be considered the preserve of workers from the administered areas" and received significantly less than the average Israeli wage. Those employed legally had to surrender between 30% and 40% of their wages as deductions to labor contractors, to the Israeli labor exchanges, to income tax, to social security payments and pension contributions. With the exception of workers from Jerusalem, they did not receive in return the welfare services as enjoyed by Israeli workers. Workers from the WBG had to incur transport costs commuting to and from work making their working day often more than 12 hours long, as they were not allowed to spend the night

across the Green Line. In short, they had very little legal or social protection. Unemployment was kept somewhat down because of the relatively high demand for cheap Palestinian labor and because of the steady stream of emigration from the WBG depending on the demand for labor in Gulf States and Jordan lowered [32,33].

Continuing the “De-Development” of WBG

Prior to 1967 agriculture was responsible for about one third of domestic product and employment in the WBG. The colonial state imposed strict restrictions on Palestinian use of water and it subsidized many products of its agriculture. Palestinian farmers could not compete with wages offered in Israel and wages offered in Jordan (during the 1970s) and the Gulf region. Thus, while the number of employed in WB agriculture dropped significantly in the seventies, Palestinian workers employed in Israeli agriculture rose significantly during the same period [34-36]. Israel established itself very quickly as the dominant trading partner for WBG since their occupation, a pattern that was formalized by the Paris Protocol of 1994 which acted as “a one-sided customs union”.

Industry in the WBG remained largely family based and dominated by small and very small establishments. The relative size employed in industry increased very little in the seventies, and this continued to 2014 [37]. In the seventies the percentage employed in the WBG industry did not exceed 15% of the employed labor force, contributing no more than 8% of the area’s GDP and this has not altered much since. No significant urbanization was evident between 1967 and 1993 in the WBG. The urbanization that took place in WBG took the form of Israeli colonial settlements in the WB which increased significantly after 1990. It is important to note that the number of Israel settlers in the WB has nearly trebled between 1990 and 2012, making the ratio of Jewish Israeli settlers to Palestinians living in the WB one to four [38,39].

The 1987 Intifada: Confronting the Settler Colonial Condition

The class structure of the WBG communities underwent significant changes between 1967 (the Israeli occupation) and 1993 (the Oslo accords). These changes were not the results of processes of urbanization, industrialization or agricultural development. Palestinian towns in WBG were turned into satellites to Israeli cities. They were the results of the “integration” of the economy of these areas into Israeli economy [40]. The same period witnessed the radical transformation of the politics of the WBG as the two areas were integrated into Palestinian political national field as represented and led by the PLO. This transformation included, among other things, the involvement of the Palestinian middle class in the Palestinian national movement in WBG as

exemplified in universities, in political organizations, in trade unions and in mass organizations. It was also demonstrated in the first intifada and in Madrid Peace Conference and issuing negotiations with Israel within the framework managed by the PLO. This period (1967-1993) also saw a significant rise in the relative size of organized workers, students and women in WBG [41,42]. This explains the popular organized and non-violent nature of the first intifada against the Israeli occupation and its self-sustaining capabilities. In comparison in 2013, the percent that of Palestinian employees (including the middle-class professions) in WBG who belonged to a trade or professional union (regardless of effectiveness) in the second quarter of that year did not exceed 32.3%.

Class Formation in the West Bank and Gaza Strip under the Palestinian Authority (1994-2014)

The Gulf war in 1991 and the establishment of the Palestinian Authority (PA), in 1994, marked a reversal in the direction of population movement in relation to the WBG. Forced repatriation (mostly from Kuwait to the WBG that followed the Gulf War in 1991 formed nearly a quarter of total returnees during the first half of 1990s), while those returned as part of the Oslo accords accounted for nearly half (48.5%) of all returnees. 37.5% of returnees to the WB had middle class occupations in the countries from which they returned. In GS the percentage was 68% [43-45].

While the relative size of WBG Palestinians employed in Israel decreased significantly following the establishment of the PA, the relative size of middle class rose significantly. This later phenomenon was the result of erection of the various structures of the PA, the mushrooming of non-governmental organizations (NGOs), the establishment of new branches of the economy (banks, insurance, telecommunication, hi-tech, universities, schools and hospitals ...), the increase in the numbers employed in free professions (lawyers, doctors, architects, engineers, dentists, etc), and the open presence of political factions and movements whose cadres form part of the middle class (in terms of function, and conditions of work) [46].

The second intifada (in September 2000) was met by severe Israeli measures including imposing additional restrictions on the movement of Palestinians (including restricting the number of permits to work in Israel) which resulted in rise in unemployment, including among young people, as the number of Palestinians from WBG employed in Israel went down sharply. This and the existing insecurity increased the number of who wants to emigrate, particularly among the young, the ambitious and the educated [47].

The Enlarged Presence of the Middle Class

The establishment of the PA was accompanied by a mushrooming of the institutions, organizations and activities that signify the presence of the new middle class; government institutions (erected by the PA), local newspapers, journals, radios and television stations, hospitals, clinics and medical laboratories, research centers, hundreds of NGOs of different kinds, expansion of universities and colleges, banks, insurances companies, luxury supermarkets, expensive restaurants and cafés (with English, French, Italian names as well wide range of names from the traditional Arab and Palestinian repertoires) [48-50]. In the last years a new city (very well-advertised) called Rewabi was built on the outskirts of Ramallah providing housing for the new middle class, while the needs of the poor classes continue to be largely ignored.

Higher education provides the “cultural” capital needed for entry into the rank of the new middle class. The establishment of the PA was followed by an enormous expansion in education (in schools and universities) [51]. Annually tens of thousands graduate from universities and colleges in the WBG, all with middle-class aspirations and expectations.

The new middle class has come to form, in 2013, about a third of the employed labor force in WBG; that is as much as three times its estimated size in decades earlier than the 1990s. In the 1980s and up to mid-1990s, the percentage of those with new middle-class occupations in WBG ranged between 10% and 12% of the employed labor force. The 1997 population census of Palestinians in WBG shows 20% of the employed labor force to be in salaried middle-class occupations [52,53]. Data for the second quarter of 2013 suggests that 29.7% (21.9% in WB & 36.8% in GS), are in white-collar occupations excluding those who are subsumed under “service and sales workers” which - in the second quarter of 2013 - formed 15.6% and 20.5% of the labor force in WB and GS respectively. These include individuals working in NGOs. The fact that some are of white-collar employees can be inferred from the fact that 14.7% (12.6% in WB, and 18.5% in GS) of those classified as “services and sales workers”, had (in the second quarter of 2013) educational qualification of associate diploma and higher. Those working in NGOs (high percentage with middle class occupations) were estimated in 2011 to form 10% of the employed labor force. It is not clear how they are classified within the job classification of Palestinian Central Bureau of Statistics (PCBS) [54]. The working class (including those working in agriculture) formed, nearly a third of the active labor force (37% in WB and 29% in GS), and another third form the “petty bourgeoisie” (i.e., employed in petty production and

distribution), the large owners of capital and property form a tiny percentage.

The Palestinian Political Field Undergoes Structural Changes

The appearance of Hamas in the late eighties changed the composition of forces and the rules of the game of the Palestinian political field, thus augmenting changes introduced later by the Oslo accords and the demise of the PLO and the appearance of the PA instead. Hamas was able to become a mass political movement, and eventually to win a majority of the Palestinian National Council (PLC) seats in 2006 elections which provided the setting for its control of the Gaza Strip in June 2007, and the declaring of its own government there. One result of this was the further inflation of employment in the public sector (and hence the middle class) as the government in Ramallah continued to pay the salaries of its employees in Gaza on condition they abstain from working for the government of Hamas. The percentage of the active labor force employed by the PA ranged between 22% and 25% during the period of 2001 and 2013 [55]. Employment in the public sector in GS is significantly higher than in the WB because part of the middle class is employed by the Hamas government in Gaza and another is paid (but not required to work) by the government in the West Bank.

The high unemployment rates, particularly among young graduates have prompted the PA government to actively seek the employment of highly educated Palestinians in the labor markets of the Gulf States [56]. This reflects the incapability of both governments (in Ramallah and Gaza) to generate significant new job opportunities (for the working and middle classes).

Palestinians in East Jerusalem have a different legal status than Palestinians in the rest of the West Bank and different from Israeli settlers in the WB. The legal status of Palestinian Jerusalemites “implies a host of further impediments, especially with regard to housing, employment, taxation and representation.... Palestinian Jerusalemites receive a disproportionately small share of municipal services”. This is reflected in their occupational composition where the percentage with middle class occupations is lower than in the rest of the West Bank and the percentage employed in Israel is much higher [57,58].

Data from PCBS for 2010 show that 37% of those employed in the public sector were women (41.1% in WB and 29.5% in GS). It also shows that employed women occupy a higher ratio (57%) of middle-class occupations than men do, albeit with a larger percentage than men occupy lower middle class jobs. Of those classified (men and

women), in 2011, as “legislators, senior officials, managers, professionals, technicians and clerks” 71.6% had 13 years or more of schooling. Among women the percentage with such years of schooling was 92.2% compared to 62.9% for men [4], indicating that the conditions of women entry into the middle class is harder than it is for men [59].

Neo-Liberalism, Unproductive Economy and the New Middle Class

The PA was created at the height of the neo-liberal era and this fact is celebrated in its basic law which commits the PA to a free-market economy. Consumerism is a salient feature of neo-liberalism; hence it is no surprise that consumer bank loans have been made within easy access to those with salaried regular employment (basically with middle class occupations). Available data suggests that consumer loans increased by 292% between the first quarter of 2008 and the fourth quarter of 2012. According to the Palestine Monetary Fund individual bank loans shot up to about a billion dollars in early 2013 compared to US\$ 494 million in 2009. One consequence of such loans is the indebtedness of the middle class whose salaries come from institutions that are vulnerable to the dictates of international donors and the settler-colonial state. It is estimated that 75% of public sector employees were in 2013 in debt. Some have suggested that “personal indebtedness.... Fosters political apathy and undermines critical thinking and action against the very oppressive nature of the system”.

The political culture that was fostered by the Oslo accords promoted the illusion of the viability of state-building under settler-colonial rule and that the guidelines of neo-liberalism are the way to “development”. Issues of structural inequalities, domination and injustice tend to be muted, and democracy was celebrated going to a bullet box divorced of the principles of equality, freedom and genuine social justice [60].

The continued decline in the productivity of the economies of WBG after the establishment of PA is reflected in the weakness of agriculture and manufacturing in terms of the size of employment and contribution to GDP. The structural limitation imposed on the productivity of the economies of WBG is reflected in high employment among women, among the young with high levels of education and its threats to limit the size of middle class and threaten its job insecurity.

After 1994 unemployment reached its lowest level in 1999 (i.e., 11.8%) and recorded its highest level in 2002 (as a result of Israeli measures to quell the second intifada). It stood at 24.5% in the second quarter of 2013 (20.9% in WB and 31.5% in GS). In addition, 6.2% of the labor force was

underemployed (5.4% in WB and 7.9% in GS). Unemployment showed a steady increase among women and among those with 13 years or more of education which, in the last quarter of 2013, reached 28.7% (21.1% in the WB and 39.3% in GS) [61]. Such data indicates that entry into the middle class is becoming more difficult as the public sector (government and UNRWA) NGOs can no longer create additional jobs, and the capacity of the private sector, dominated by services, has very limited capacity to do so.

Employment of workers in Israel since the establishment of the PA has become increasingly limited. During the period from 1972 to 1993, employment in Israel ranged (as a percent of the total employed labor force) between 26.6% (which was the case in 1988), and 38.8% (in 1993). During the period from 1994 to 2000 (the second intifada) the percentage of the range went down from 20% and 25%, but declined to a range between 8.0% and 10% during the period 2001 - 2013. GS employment in Israel was completely barred since 2006 and rapidly declined from 15.7% in 1999 to 0.4% in 2005. Work in Israel (and settlements) is confined to the West Bank and totalled 9.7% of the active labor force in 2012, and reached 13.3% in the second quarter of 2013 (58.7% of workers had work permits).

The high rates of unemployment in WBG illustrate the precarious situation of the Palestinian labor force in these areas. The majority of manual workers in Israel and in WBG lack serious protection of their basic rights. In WBG most workers are in enterprises employing nine or fewer people (including unpaid family members) form the overwhelming majority of all enterprises in WBG.

Concluding Remarks

The analysis of the processes of class formation in WBG illustrates that it has been influenced by the specific settler-colonialism acting on Palestinian communities directly, by socio-economic and political forces active in the region (in Jordan, Egypt, Gulf states) to international interventions (the Gulf Wars, the collapse of the Soviet Union, the peace process” sponsored by USA, international aid, and by changes in the Palestinian political field (the demise of the PLO, and the instalment of the PA, the polarization between Fatah and Hamas) [62]. The shattering ongoing impact of the Nakba in 1948 cannot be ignored. The fall of the WB (between 1948 and mid 1967) under the socio-economic and political influence of the Jordanian political field and the fall of GS (during the same period) under the multi-dimensional influence of Egypt were major determinants of class formations in each of the two areas. In both cases the major component of new middle classes was formed, through emigration, outside the two communities, in countries of emigration. This trend continued after the Israeli occupation

of the two areas in 1967 up to the formation of the PA in 1994. During this period (1967-1994) a Palestinian a major part of a Palestinian working class was constructed in both areas through commuting for work across the Green Line, while the new middle class continued to being made outside these two communities. In other words, the major components of the working class and the new middle class were constructed outside their own society. A fact that requires, may be, a new conceptualization of society.

A major part of capital accumulation by major strata of Palestinian bourgeoisie was also made outside these two areas (in Jordan, Gulf States, Europe, United States), and outside direct relations with in Palestinian labor force and classes. The hypothesis that that "returnee" capital has been accumulated outside the WBG, dominates now the economy of these areas need to be tested empirically and its implications investigated. The modes of capital accumulation of local capital, particularly of the *nouveau riche*, who emerged (in the WB and in Gaza) following the establishment of the PA need to be investigated. The creation of the PA in 1994 generated a new dynamic as a nascent urban center began to emerge in the center of the WB [5] as it became the headquarters of the PA, housing the modern service's sector of the economy, NGOs headquarters, international organizations, political parties and movements, trade unions and professional organizations as well as of banking, insurance, hospitals, laboratories, etc. (i.e., housing the habitat and offices of the new middle class).

The formation of the PA meant a reversal of the previous process of the generation of the middles class through labor emigration and working class through employment into the colonial economy. Now the major parts of the two classes are home grown. But this seems to be a temporary procedure because of conditions generated by statelessness and settler-colonialism. The new middle class has the task of managing the modern sector of the economy, the donor-driven NGOs, and other civil society organizations (including the political parties, including Hamas and Islamic Jihad), and to run the various free professions.

The weight of the middle class, does not derive from its relative size (which is substantial), but from the pivotal role it plays in the PA institutions, private sector, civil society organizations, political parties, health, education, and in the various fields of culture. In addition, the middle class is relatively much more unionized (including in government employment, and UNRWA) than the working class and the petty bourgeoisie and enjoys comparatively a higher degree of job security, mobility, rights, and social security. However, similar to the working class and the petty bourgeoisie, it remains captive to the conditions of statelessness and the ongoing settler-colonialism.

The middle-class patriotism generated by the ongoing settler-colonial situation and denial of national and individual rights is constantly checked by concerns of the need of not jeopardize the sources of that class position. As a class it has experienced the dire consequences of what the withholding (by the USA, EU, and Israel) of external funding and transfers to the PA. This perhaps explains why a majority in WBG perceives a necessity of maintaining the PA while viewing governments (in WB and GS) as corrupt [6], the source of division, and an example of failure to achieve independence, stop settlement-building, and protect citizens from the daily violence of the Israeli settlers.

The Palestinian middle class, like middle classes in other countries in the Middle East is divided politically (nationalist, Islamists, liberal-leftwing), in its social outlook. It is differentiated by income and status with the lower middle class (school teachers, nurses, clerks, and so forth) forming the larger section of the class. It is stratified by sector of employment and therefore related differently to the labor and commodity markets, sources of rent and income, job security and political outlook demanded. The continuation by the major Palestinian political movements (Fatah and Hamas) of two self-governments under colonial control, siege, and rent seeking feeds into a culture of atomization and the de-politization of daily life. This trend is being promoted by the "bantustanization" of Palestinian space and by the demise of the influence of left as a carrier of ideals and values of freedom, equality, self-determination and social justice.

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