

produced wheat was available in large amounts was viewed by both Jewish capitalists and British officials as a response to the needs of the European Jewish settlers. European Jewish settlers, it was noted "prefer White to the native Black wheat". (48) The "native black" wheat was made of 100 percent wheat, while to produce white wheat, a mixture of wheat, corn or other cereal was needed. Cereals required for the production of white wheat were available at quite low prices for the urban mills. However, it was this very issue which the Jewish capitalist class tried to avoid.

The boycott of Palestinian indigenous products, although economically profitable in the case of wheat, was also a political decision. This decision 'puzzled' even the High Commissioner as he doubted whether removing protective tariffs would put an end to importation.(49)

The decision to flood Palestine's markets with foreign wheat and boycott the indigenous fallaheen, the overwhelming majority of whom were involved in wheat cultivation, had grave consequences for the rural population. The following description of the conditions of the fallaheen as a result of capitalist competition and boycott is particularly relevant to the understanding of the role of capitalist agriculture in the formation of rural classes.

Competition, to start with, depreciated the prices of locally produced wheat. The drop in the price of wheat was particularly sharp during the 1920s. In 1925 the price of one ton of wheat was estimated at P.L. 18,000. Four years later, in 1929 the price of one ton of wheat fell by about 22 per cent, to P.L. 16,000 per ton, and in 1930, by about 300 per cent, down to P.L. 6-7 per ton only. (50) Further decline in the price of wheat continued throughout the 1930s. In 1932,