THE ISRAELI WORKER

Achievements, Attitudes and Aspirations

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BY

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To Dora, my wife, whose invaluable help
made this work possible
but who did not live
to see the fruits of our labors.

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Contents

Introduction

The common saying in Israel goes that Israel is a small country but with vast problems. The same is true of the worker's life in Israel. It is a small world but extremely complex with many problems. We meet here new and unexpected forms and structures. While carrying out my explorations I was constantly taken by surprise. I expected to find a replica of the usual Western pattern of work relations, work attitudes, and work types. Instead I found that the Israeli soil is the cradle of the uncommon, the breeding ground of the new, the odd and the unique.

We might compare the worker's lot in Israel to Israel's scenery: every few miles a different landscape and a new panorama, for Israel's scenery is immensely rich and varied. The tourist in Israel may complain of many things but not monotony. Within an hour he can move from one climate to another, from the Judean hills to the Negev desert, from the Galilean hills to the sea, from mountains to depressions. Israel is a small universe combining practically everything: lakes and hills, mountains and depressions, valleys, green pastures, flat sea coast, deserts and semi-deserts, rocky bare land, wild and practically untouched nature, and overcrowded cities.

The same applies to the panorama of the worker's world. In close proximity we find great contrasts and great variety of work types, relations and attitudes.

The exploration of the worker's world is even more difficult as it is still in process of formation. Types, relations, attitudes and behavior are fluid. New paths are being tried all the time. Both employers and workers are constantly searching for the road to industrialization and prosperity. There are few, if any, established customs and habits.

The entire social class is still in its formative stage. There were small groups of Jewish manual workers in the Diaspora such as the Salonica longshoremen, the Warsaw porters, the Polish painters and carpenters, or other artisans. But large sections of manual labor were practically unrepresented in Jewish life. The new laboring class in Israel is being recruited from other occupational groups, such as merchants, shopkeepers, peddlers, tailors, shoemakers and insurance agents. They are learning new trades and crafts, as well as new habits and customs, new attitudes and social values. They are learning to be a new class, what it means to be a separate class, and the values and rules involved. The processes of learning and of selection and elimination will be described in greater detail later. Here it is enough to say that we are now reading only the first chapter, the chapter of Genesis in the book of the Israeli worker. Out of chaos and flux the Israeli worker is being shaped—not without birth-pangs, not without confusion and waste. He is shaped by the harsh necessities of Israel and its conditions and requirements, but he is also shaping himself in the image of his ideals and aspirations. In this image of the ideal type of worker, Marxian ideas on the one hand, and the

impressive achievements of the British workers on the other, mixed with the traditional ideas of the Bible all play an important part.

What the ultimate shape, composition and structure of the Israeli working class will be is difficult or even premature to say. Here we can find an analogy with the whole society of Israel, which is very far from being a stable structure with a fixed permanent pattern. How could it be otherwise? Israeli society is extremely dynamic with possibilities and opportunities for movement in all directions. Similarly the Israeli laboring class is highly dynamic, full of unrelieved tensions, strains and stresses, often of dramatic fascination.

In writing this book I have utilized the available published material, in the form of books and articles, statistics and memoranda, statutes and by-laws, collective agreements, works rules and reports. Also the material of the Central Bureau of Statistics, of the Institute for Social Research in Jerusalem, of the Hadassah Vocational Guidance Center, of the Histadrut Research Bureau, both in published and unpublished form, has been available to me. I have also devised three questionnaires:

1. A questionnaire on productivity and work relations was sent out to the managements of the larger firms, nearly 350 in all. I received only 28 answers, but they were significant and helpful in the appraisal of certain aspects of productivity. The sample may seem very small but, in fact, it is of considerable significance when we consider that it contains 8 answers from firms with over 100 employees, covering about 10 per cent of all firms of this size in Israel (86), and 15 answers from firms with over 50 employees, covering about 8 per cent of all such firms in the country (188).

2. Another questionnaire, on work satisfaction, was given to different groups of workers. Fifty-four questionnaires were answered, a small number on which to base any quantitative study. But interesting material from a qualitative point of view was revealed as the questionnaire covered 55 questions in addition to free marks of the respondent.

3. The third questionnaire, on union matters and union organizations, was sent out to all central and local trade unions through the generous help of Histadrut headquarters. The questionnaires prepared by me were forwarded in bulk to the Histadrut's *Vaad Hapoel* (Executive Committee) and distributed to all national unions. All these unions, and there are 26 of them, answered, and the material proved helpful to my study.

The material in the questionnaires was used not so much in quantitative statistical fashion, but rather in a qualitative sense, to uncover problems and as a starting point for more intensive exploration by way of personal interviews. The bulk of the material both in terms of value and quantity is therefore based primarily on personal interviews and visits to factories and other workplaces, undertaken mostly from June 1955 to September 1955, in addition to other interviews and visits undertaken previously in 1954. Altogether, I recorded 392 interviews, and visited 59 workplaces in Jerusalem and the Corridor, the Tel Aviv industrial area, Haifa Bay, Beersheba, Migdal Askalon, Galilee, etc. Private, co-operative, Histadrut and Kibbutz establishments were visited. Practically all the factories with more than 300 employees—and there are only about 18 of them in Israel—were visited, as was a very high percentage of the workplaces with more than 100 employees of which there are only 80 in Israel.

A fair number of small workshops was visited at random. In the workplaces I tried to interview managers, foremen and representatives of the Workers' Committee, as well as some of the workers. I also interviewed representatives of the Histadrut and of the Employers' Association, managers, foremen, shop stewards, workers of all kinds, and civil servants dealing with workers' problems. At first I made appointments, but later, as time pressed on and the appointments were not always kept, I dropped this method and called unexpectedly. The interviews had the character of informal conversations, and were written down only afterwards.

I must record that I met with a fine response from all sides and was eagerly helped by all, aside from Civil Servants and a few of the Histadrut functionaries who may have acquired the Civil Servant's mentality. I usually started by stating that I am writing a book on the Israeli worker and so am eager to collect material on the subject. And I must say that the idea of helping someone to write a book appealed greatly to the sons of the most bookish nation in the world. "A book must be accurate and truthful, so let us make what I tell you accurate and to the point, not just a talk"—this is what I often heard. Some of them gave me hours of their precious time explaining everything from A to Z.

The fact that I was a stranger, or rather a newcomer to Israel, stood me in good stead, as it was rather an asset also in my English explorations. They thought that they must explain everything to the ignorant person who was foolhardy enough to try to write about such an intractable subject as the Israeli worker.

The Jew is a very talkative and sociable creature. He indulges in talking as others do in drinking or gambling.

He likes to teach and to preach, and when anyone is willing to listen, off he goes. When a writer listens to him, he feels even better, because it proves to him that he has a story worth listening to, that he has collected a few grains of wisdom in his life which may be of interest even to a learned man. The number of home-made philosophers even among the simplest Jewish workers is legion. I have met in my search many truly wise and truly knowledgeable men, even in the simplest walks of life. Besides, every Jew not only thinks for himself but also reads a great amount of books. I met ordinary workers who read the most complex treatises on labor relations, like Richardson's *Introduction to the Study of Industrial Relations,* or the Hawthorne studies by Elton Mayo. Practically every medium-sized plant has a library which is well stocked and liberally used. Every Workers' Committee has a secretary for culture who arranges lectures, trips and visits, and is in charge of buying, exchanging and lending books.

Apart from the general impersonal knowledge, gained by reading and observations, many Jewish workers have also acquired rich experiences through long years of suffering and tribulations. You can see on their faces the mark of their wanderings and troubles, and sometimes you may glance at the number of the concentration camp tattooed on their arms. So they definitely have a story to tell, not only interesting, but important.

The exploration of the worker's small world was actually an exploration of Israel's panorama, with its tricky problems and questions. No one is more critical than the Jew, and you have to keep your head level not to be overwhelmed by the violence and amount of criticism which he freely offers to you. In such an exploration you are bound to see also the seedy side of Israel's life, the distortions, the anomalies, the world of temptation, bribery, corruptions and "protectzia."

However, I could not help being greatly impressed by the outstanding feats of achievement and accomplishment of the new State and its society, and by the momentous struggle of the newly formed working class against great odds. In the existing setup of Israel, with its innumerable handicaps and obstructions it is easy but often ungracious to voice criticism and censure of what is being done, and to point out mistakes or failures. But it is the duty of any objective researcher to present an equitable balance of the two sides of the picture, and in the complex Israeli situation there are often more than two sides.

It remains only to discharge the most pleasant duty of expressing my sincere thanks to my many informants, among them managers, foremen, officers of Unions and employers' organizations, and research institutions, and to workers of all classes, who have given me their trust and knowledge enlightening me on many subjects which were new to me.

But my special thanks go to the Hebrew University in Jerusalem, which, in appointing me to a Visiting Professorship, gave me the opportunity and means of undertaking this work. This was a unique opportunity for which I am very grateful indeed.

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Part One

GENERAL CHARACTERISTICS

1. The General Background

To understand the status and position of the Israeli working class we must first take into consideration the general background in its larger setting. Otherwise our treatment would be purely formalistic and superficial.

It is not easy to penetrate to the deeper social forces operating beneath the surface of the vigorous, contradictory and extremely prolific Jewish society in Israel. The first thing we can say is that it presents a drama of enormous intensity which could easily have spread over centuries here compressed into a few years. It is an intensive life lived in vehemence, turmoil and boisterousness. We are faced with a volcanic eruption of Jewish creative energy, dammed up for centuries, which has suddenly found release. The Jews descended on the ancient land of Israel like an avalanche, and the same impetus is used in building up the land. They represent a highly dynamic force which develops by leaps and bounds, and, taking unexpected twists and turns, defies all expectations and

predictions, so that nobody can tell its fate and destiny, its basic lines of development and growth.

In a few years Israel has achieved a level of national income per capita which approaches that of Holland; [1] food consumption standards equal to those of France; [2] infant mortality rates are below those of France and Belgium; [3] general mortality rates [4] below those of the USA, Britain, or Sweden; building activity rates [5] far above any industrial country; educational [6] and social insurance [7] services far above many long-established countries in South or East Europe—and all this in the face of constant threat of war, or even in the midst of it.

But the debit account is no less impressive. Constant experimentation, confusion, blundering and mismanagement usually go together with such explosive developments. Israel is a land of strong lights and shadows, and this is true also of its social and economic achievements.

The economy lacks the solidity of an established structure. The country depends on foreign aid to the extent of 300 million dollars annually, coming from sources

1 Israel's national income per capita was estimated for 1954 at 440 dollars (at the rate of IL. 1.8 to the dollar); Holland's—485 dollars.

2 Food consumption in terms of average calories per inhabitant rose from 2,590 in 1949/50 to 2,873 in 1954; France—2,850.

3 Infant mortality among Jews (after a temporary rise in times of mass immigration from the Middle East) fell from 51 per thousand to 32; France —38.

4 The Jewish mortality rate in Israel in 1955 amounted to 5.8 per thousand; the USA—9.6; Sweden—9.7; Britain—11.4.

5 In eight years of the existence of the State 300,000 rooms have been built.

6 Free and compulsory primary education for all children, from the age of 5 to the age of 14, was introduced with 80 per cent of school children now in attendance.

7 A fairly comprehensive Social Insurance was established with old age pensions, survivors' insurance, maternity benefits and workmen's compensation, but without unemployment insurance.

which may gradually dry up during the coming years. Production costs are exorbitant, because of high wages and low productivity standards. Therefore, the country is unable to develop its exports effectively. Budgets are unbalanced, and there is a constant inflationary pressure. The standard of living is high, not justified by real efforts and achievements. Middlemen's costs are excessive. The tendency to exploit the consumer is marked in both sectors, in industry by cartellization, in agriculture by strong organization of the collectives (Kibbutzim) and farmers' co-operatives (Moshavim).

In social life, too, considerable strains and stresses are felt between what is called the two Israels: the old established population and the new immigrants; and even more so between the Europeans and the Middle Eastern population, coming from Asia or North Africa; between luxury quarters north of Tel-Aviv and the spreading slums.

The other aspect of the new reality is Israel's high level of aspiration. The State was wrested from a feudal society with a feudal and authoritarian background, reactionary in the strictest sense. It stands out against this background as an unprecedented structure, in complete challenge to its environment in whose midst it grew. The violent hostility of the Arab world against the State must be understood not only in national and political terms but also in terms of this entirely antagonistic structure which is a challenge to the feudal authoritarian structure of the Arab countries.

It is not enough to say that Israel aspires to a democratic structure of society in its Western version, it is not even enough to say that it aspires to Western socialistic patterns of society. Israel aspires to something more, or, let

us say, to something different. It strives to combine Western socialism with purely Jewish values, to infuse it with the spirit of Judaism, to mix Marx with the Prophets. After all Marx was impregnated with the heritage of the Prophets, he even looked like a Prophet. In a way he was a descendent of the prophetic lineage with a prophetic message in the modern garb of scientific analysis.

In Israel, the 1st of May is one of the important holidays, when everything, including Government offices and schools, is at a standstill. It is a semi-religious holiday, a holiday of the new religion of mankind, hoping for a new salvation. After all everything that a Jew does has a religious meaning, or religious undertone, as his past, present and future is completely immersed in the mysteries of religion and of his own history which is, after all, a religious history. What is so fantastic and striking in Israel is the unique mixture of the old and the new, of the sacred and the profane, of reality and dream, of facts and fantasy. This mixture pervades also the social and economic policy of Israel. The critics often called this policy Talmudic, but there is nothing Talmudic about it; it is simply a tribute to the old, to the sacred, to the utopian, to the dreams, to the legend. It imposes many handicaps and exacts a high price, but it is part of the fate of Israel and Jewry at large.

This brings us to the myth of the working class in Israel which plays a prominent part in the new society. Salvation to Israel will come only through toil and sweat, through the role of the new working classes which are in the process of formation. They are the real builders of the new society. Only they can redeem the land, build roads, farms and factories. Only they can take on themselves the responsibility for the new State, defending it against

heavy onslaught. Only they can carve out new social forms in the New Society. Only they can bring about moral regeneration and at the same time normalization of the nation. The middle class, the bourgeoisie, could never do it, as it has a matter of fact, or purely commercial or professional attitude to the New Society, interested in preserving existing entrenched class positions. This myth of the working classes in Israel is one of the central elements needed for the appreciation of Israel's social situation. It gives them a standing far above actual achievements and actual situations. It provides the dynamics of social change and transformation, and we will see in our study how far this dynamic force has expended its power.

We come now to another basic aspect of Israel's reality. Israel is part of World Jewry and cannot be conceived otherwise. When it is said that Israel is not an economically viable unit because it is not economically independent, it must be realized that Israel *is* more or less economically independent if conceived in its proper setting, as part and parcel of World Jewry. As a unit outside and independent of World Jewry Israel is entirely inconceivable, not only because of its lack of economic resources, but also because of its lack of moral, spiritual, and intellectual resources, as well as of political or strategic means of defense. The destiny and fate of Israel is to be part and parcel of World Jewry as its complement, as its fulfillment, as its promise, as its hope and vision. So Israel is not only a unique mixture of the new and the old, but also a unique mixture of the Diaspora and the Independent State. The pull of the Diaspora and the force of the new State are in constant battle with each other within Israel, partly merging and interpenetrating, and producing an often odd mixture. After all, the Galuth

Jew built and is still building the new State and the new society, and although he aspires to the new he is rooted in the past, in the Diaspora.

We will see how the Galuth (Exile or Diaspora) mentality still weighs heavily on the makeup of the Israeli worker. In the last few years, due to the sudden influx of mass immigration, the Diaspora mentality has even been strengthened. The theme "Israel and the Diaspora" is treated in thousands of articles and pamphlets as well as in many books, but still the deepest and the greatest truth about it is that both are inseparable, necessary ingredients of Jewish fate and destiny. In Israel, conceived out of the tragedy of the Exile, the Diaspora finds its solace and fulfillment; on the other hand, who knows what treasures the Diaspora may receive from Israel out of her travail and achievements, her sufferings and tribulations? As much as the Israelis would like to get away from the Diaspora they are bound to it by common fate and destiny, and by the sheer facts of economics, demography, and sociology.

But as far as the human material is concerned there are marked differences between the Diaspora and Israel. Their two social structures are worlds apart. The Israeli population is poor, one might say, largely proletarian. The rich Jew rarely comes to Israel. This is even more true of the immigration after the liberation than in the time of the Mandate. Israel has been, in the truest sense, the haven of refuge providing shelter for the masses of refugees and displaced persons, for all those broken existences, the persecuted who could not continue in their country of origin. So Israel shows from the start a much more proletarian structure than the Jewish population elsewhere. And the proletarian is much more adaptable to the Israeli conditions than the rich. He stays on, while the rich are on the

move. And he has to stay and work, as he has no alternative.

The population in Israel is not only poor but, judged by the standards of the Jewish population in the Diaspora, also under-educated. The percentage of total illiterates in Israel among the adult population aged 16 and over is estimated to be about 23 per cent. This is a very high percentage, rarely to be found in the Jewish centers in Europe or America.

The composition of the population, as far as country of origin is concerned, shows a peculiar structure. About one third of the adult population of Israel is recruited from underdeveloped countries, and this proportion is growing constantly at a fast pace, as the fertility rates for women immigrants from Asia and Africa[1] are more than twice as high as those for European or Anglo-Saxon immigrants. In fact, the share of the Asians and Africans in the child population is already in the neighborhood of one half. The trend for the future is unmistakable. In this respect the composition of the human material in Israel does not reflect the composition of the Jewish population in the Diaspora, which is predominantly Western.

There are many analogies between ancient Israel which emerged after the Exodus from Egypt, and the modern one, but none greater than in the human material, which is expected to build the new society. The Passover celebrations assume a new meaning in Israel, and it is not surprising that some of the Kibbutzim have issued new, modern versions for the Hagada describing how the persecuted and downtrodden, those expelled or forced to leave, the remnants of the extermination and concentra-

[1] For mothers at the age of 30-34—2.28 (for European population) against 5.26 (for Middle Eastern population).

tion camps, gathered again and came to the land of Israel to build anew, to build a New Society and a New Temple. As in the Biblical Exodus, a handful of slaves was chosen for the mighty task entrusted by God to the Jewish nation, so in modern Israel, too, one can see again the immense gap between the social level of the human material and the task entrusted to them. Thus the mystery of the Bible is reenacted again in this respect as well.

As to the location of Israel—we must never forget that Israel is an Asian country. It is geographically part of the Middle East, but not so economically, politically or socially. One can feel here the pull of all continents, but primarily of three: Asia, Europe and America. The capital investment, the know-how, the technology are all American. So are also the books which flood the Israeli bookstalls, important messengers and ambassadors of American culture. The way of thinking, reasoning, behaving and governing are derived from the continent of Europe. The institutional structure is being built up following the continental model. Social aspirations and ideas are very much under the influence of Laborite Britain, and the model of the English gentleman and the standards of English culture still exert a powerful sway over the Israeli youth. The 30 year period of the British Mandate left an indelible mark on Israel.

However, the general background, the environment, the climate, the scenery, the soil, the neighbors are all Asian. As a building must be adapted to its site, so must the building of Israeli society be adapted to its Asian background. I believe it is realized in Israel that in this part of the world only an Asian, or at least partly Asian structure has a chance of survival, and the normalization of

Israel's existence is insolubly linked with the acceptance of Israel by Asian nations as an Asian society.

2. The Social Framework

The social framework consists of the total manpower with its size and composition measured in terms of vertical and horizontal layers. This total manpower is the general frame within which the working classes move. It is important therefore to review, first of all, the manpower position in statistical and analytical terms so as to see the dimensions of our problem. We have two manpower surveys done by the Central Office of Statistics, one for 1954, the other for November 1955, made on a sample basis only. Unfortunately, they are not comparable. However, the last one is regarded as the more accurate, and in most cases I draw on it here.

First let us look at the relative size of the Jewish manpower of Israel (the economically active or gainfully employed population). By this we mean employers, self-employed and employees, as well as all above the age of 14, able and willing to work, excluding housewives.

We find first that the Jewish manpower forms a small percentage of the total Jewish population, and that this percentage actually declined in later years, because of the immigration of partly unproductive elements with large families. In 1955 this percentage amounted to 36.9 per cent, and was below the average for most European countries, such as the United Kingdom (1951—46.2 per cent), Sweden (1950—44.1 per cent), West Germany (1954—49.5

per cent), France (1954—44.8 per cent), Italy (1954—44.1 per cent).

This is partly due to the fact that the Jewish population in Israel is extremely young in age composition. Roughly speaking about 40 per cent of the whole Jewish population in Israel is under 19. We rarely find such a young society in any of the industrial countries of Europe or America. Among the immigrants from Asia and North Africa the percentage of youngsters up to 19 amounts to 50 per cent, among the immigrants from North Africa alone to 55 per cent.

However, the percentage of the gainfully employed Jewish population in the adult population (above 14) according to the Manpower Survey, is also relatively small, smaller than in other industrial countries, amounting in 1955 to 54.4 per cent. According to the Manpower Survey of 1954 only 84.1 per cent of men in the age groups 20-64 and 23.1 per cent of women in the same age brackets were gainfully occupied. Comparable figures are Britain in 1951 —96.8 per cent, and 36.0 per cent; West Germany in 1950 —93.2 per cent and 40.1 per cent; Sweden in 1950—94.7 per cent and 31.6 per cent.

The total manpower is not only relatively small, it is also not fully utilized. We have a fairly large amount of structural unemployment, both open and disguised, disguised under many forms of duplicated labor, of overcrowded services of shopkeepers, peddlers and clerks. We can reckon that more than one fourth of the total Jewish manpower is affected by open or disguised, total or partial unemployment. To quote the figures of the manpower survey of 1955: 72.9 per cent of the Jewish manpower was fully employed, 15.9 per cent partly employed (above 15 hours a week), 7.1 per cent was totally unemployed, 4.1 per cent absent from place of work. The incidence of unemployment is not as high as in other underdeveloped countries, and much below the average for other countries in the Middle East which proverbially suffer from the scourge of unemployment. However, it is higher than in most industrial countries after the war, and it has a more structured character.

Now let us look at the social status of the Israeli manpower, as it divides itself into different social layers. The manpower survey of 1955 gives the following division: 63 per cent were wage and salary earners; 22 per cent were self-employed, employers, and members of co-operatives; 9 per cent—members of the Kibbutzim; 4.9 per cent unpaid family workers; 0.5 per cent others.

Nearly two thirds of the working population belongs to the wage and salary earning class, a very high percentage for an underdeveloped country like Israel. It comes near enough to the position of France (65 per cent), but it is below the position of other European countries like Holland (68 per cent), Switzerland (70 per cent), West Germany (75 per cent) or Sweden (77 per cent), and still farther below the position of the USA with its 82 per cent of employees, and of the United Kingdom with 93 per cent.[2]

However, if the members of the farm collectives (Kibbutzim), farm co-operatives (Moshavim) and other workers' co-operatives are counted together with the employees (this is regarded as working class in Israeli conditions, about which more below), the total percentage of the working classes would come up to the position of most European countries on the Continent and even surpass

[2] See *Year Book of Labor Statistics*, Geneva, 1954.

it. Wage and salary earners plus members of the Kibbutzim amount to 72.6 per cent of the whole working population.

We can say that Israel has a West European social structure, which is amazing considering its geographical position, its youth and its underdevelopment.

The other characteristic feature is the strength of Kibbutzim, Moshavim and other producers' co-operatives, which together support a very impressive portion of the working population, presumably one fifth—a feature unknown in Western countries.[3]

Another striking fact is the relatively small number of employers. Unfortunately, in the Manpower Survey of 1955 we have no separate figures for the employers in the group of self-employed. The Manpower Survey for 1954 gave this figure as 1.28 per cent of the total working population. This is certainly an underestimate. But still, even if allowance is made for possible errors in the statistics, the whole employers' class would amount only to a very small percentage of the whole working-population.

This is partly due to the fact that a very large percentage of all wage and salary earners is employed in the Government, the public and the Histadrut sector—according to the Census of 1955 about 47 per cent of the total.

Out of about 345,000 of the total number of wage and salary earners 182,900 were employed in the private sector, 63,200 by the Government, 17,300 by the local authorities, 81,700 by the Histadrut and other public institutions, like the Jewish Agency, etc. This composition is also very important for the appraisal of the position of

[3] Unfortunately, in the Manpower Survey of 1955 we have no breakdown of figures between self-employed and members of co-operatives apart from Kibbutzim.

the working class in Israel. The small employers' class and the dependence on the public sector in employment to such a large extent are basic factors in the social situation. If the Kibbutzim and productive co-operatives are added, then the dependence for work opportunities on the public and the Histadrut sector becomes even more pronounced, amounting to about 60 per cent of the total work opportunities.

Now a few words about the industrial division of the Jewish labor force.

In Novembebr 1955 about 22.3 per cent of the labor force was engaged in crafts and industry; 15.3 per cent in agriculture, fishing and forestry; 8.6 per cent in construction and public works; 1.3 per cent in electricity and water supply; 6.9 per cent in transport, storage and communication; 14.5 per cent in commerce and banking; 30.9 per cent in services including education and health; 0.2 per cent in mining and quarries.

We see here an enormous overdevelopment of services, plus a striking underdevelopment of industry which finds itself still in its initial stage, also a relative underdevelopment of agriculture.

This is the background for the attempt at productivity which goes on constantly. Since the establishment of the State 40,000 families of the new immigration (about 27 per cent of all the immigrants) have been absorbed in agriculture. In crafts and industry about 70,000 new workers and self-employed have been absorbed since the establishment of the State.

All this contributes greatly to a better geographical distribution of the population. At the time of the establishment of the State 70 per cent of the population was concentrated in Tel-Aviv, Haifa and Jerusalem; by 1955

this fell to 50 per cent. The population of the Negev increased twelvefold, the population of the Galilee and the Emek threefold.

The outstanding feature of Israel's development which makes it unique among other underdeveloped countries attempting industrialization is its dual program of development. Israel is a country which is planning two seemingly contradictory processes: industrialization and agrarianization at the same time. Usually, a country which undertakes a process of industrialization, has fairly developed its primary industries (agriculture, etc.), while trying to build on top of them secondary industries (manufacturing), and then tertiary industries (services). However, Israel has an abundance of tertiary industries, and is trying to build primary and secondary industries. Israel wants to commercialize itself, and at the same time to develop both agriculture and industry.

This simultaneous dual process is an enormous handicap to both programs. Both agriculture and industry are subject to protective tariffs, therefore Israeli industry does not enjoy the benefit of cheap agricultural raw materials as in other underdeveloped countries, starting the process of industrialization.

So the term "underdeveloped country" for Israel is hardly suitable. Israel is actually a virgin country more than an underdeveloped country, a country in which everything is being developed from scratch, in which the soil, the nation, and industry are all being built up at once.

Now after this short survey of the social framework, we can pass to the role and character of the working classes in Israeli society.

3. The Working Classes in Israel

"Working class" is an ambiguous term everywhere, but in Israel even more so. The working class in Israel is a very specific formation. It can hardly be called a historical formation; it is not grounded in history; it was not shaped and molded by common historical experience, or by collective struggle for its very existence or for its betterment.

One can hardly call it a sociological formation either. There is no tradition behind it, no common pattern of custom and habit, no common style of life. Working class status is not inherited from father to son. Neither can it be called a distinct economic formation in terms of a distinct income level. The standard of living of the Israeli worker is not much lower than that of the middle class. The differences are very small, often nonexistent. The average shopkeeper in Israel may even earn less than the average permanent worker in industry. The Israeli worker is indistinguishable from the middle class man in the way he is clothed, fed and sheltered. He sends his children to the same schools, he goes to the same places of amusement, he has the same cultural needs, the same personal aspirations.

It can hardly be classed as "proletariat." The working class, as visualized in Israel, includes property owning members of co-operatives and Kibbutzim and other rural settlements.

The Israeli working class is rather an ideological formation based on the myth of productive work in the socialist sense. All those who work with their brawn or brain without "exploiting" others, i.e. without employing

others or without being middlemen or businessmen, form the working class.

Two classes of people are excluded: employers and self-employed middlemen in all walks of life. A shop-assistant is "working class," but a shopkeeper, even if he does not employ others, is not.

Accordingly, all wage and salary earners up to the highest ranks of management are "working class," as are all those self-employed and all members of co-operatives in "productive" work, including self-employed farmers, artisans, drivers, etc.

The Israeli working class contains all those who are bound by the socialist idea of productive work, by the aspiration to build a new working class society in which everyone will earn his living by working with his brawn or brain without exploiting other people's labor through employment or by trade.

Ideological divisions are often more important for Israeli social stratification than any other factor. For the Israeli ideas are potent and real forces, and he who allies himself with a certain idea finds himself in a distinct class. The aspiration marks the man. The working class is the class of people aspiring to a working class society, i.e. to a socialistic type of society and actually doing what they profess.

Moreover, this class of people has a common organization: the Histadrut—the General Federation of Jewish Labor—which plays an enormous and decisive part both in shaping the individual worker's life and in general labor relations. We might call the working class all those who are actual or potential members of the Histadrut. The working class concept is thus institutionalized in a central organization whose main aspiration is the building of this

new working class society. The first paragraph of its statutes proclaims: "The General Federation of Jewish labor in Israel unites and brings together workers who live by the sweat of their brow without exploiting other people's work, in order to arrange satisfactorily all agricultural, economic and cultural matters of the working class in Israel, and for the sake of building a Jewish workers' society in Israel."

How this working class society should be built, and on what principles, the Histadrut does not announce, as it includes several working class political parties with divergent views. However, one principle of this new society is stated explicitly, as expressed in the paragraph quoted above, that everyone should work without living on other people's work. Thus the new society is to be a society of workers only, without room for those who are able to work but who live on the proceeds of other people's work. The socialistic society would therefore exclude all regular sources of income aside from work itself.

We see that the working class conception in Israel is socially and economically more diffuse, while it is ideologically and organizationally more integrated. It has a strong central focus in an organization for common action by all those who live by the sweat of their brow against all those who rely on their capital or trade or on the employment of others as their source of income.

This is the official class concept of the Histadrut and all phraseology used on festivities applies to it. We may call it also the "First of May Class," as they all come out in the May Day parade.

Thus, the working class concept in Israel is faithful to the basic Marx-Engels ideas of the *Communist Manifesto,* to the dichotomic division of society into exploiters and

exploited, those who live on "surplus value," and those who live by producing their own values. Society does not consist of three classes according to the prevalent ideas in Israel. Each man belongs to one of the two classes, and each man aspires to one or the other type of society according to the socio-economic position he occupies.

However, apart from the working class in the fullest sense, there are also other concepts of the working classes. The conception of the working class in a more limited sense includes only the employees, i.e. all those who work for a wage or a salary. This is the great mass of people who are organized in labor unions, covered by collective agreements, and who wage a constant struggle for the improvement of working conditions.

This mass in turn, actually consists of two distinct layers: wage earners and salary earners. They are in many ways subject to different institutional arrangements so as to constitute two different social subclasses. Wage earners are "on the clock." They are by and large hourly rated men, paid only for the number of hours actually worked, with arrangements for overtime and part-time work. Salary earners are paid by the month, irrespective of the number of hours worked. The two groups usually have different standard hours of work: the wage earners—47 hours per week, the salary earners usually fewer. They have different arrangements for sick pay, holidays, seniority, promotion, dismissal and compensation for discharge. In many cases they are organized in separate Workers' Committees in their places of employment; they even have their separate unions.

The social status of each group is different. While in theory the myth of the redeeming qualities of toil and sweat should give the manual worker a higher status in

society, in fact it is the other way round. In both status and actual terms of employment salary earners are favored over the wage earners; this, however, is not the case with respect to the wage level or living standards. In terms of income there hardly exists any differential between the clerical man and the wage earner, until you come to higher clerical grades, to the technical and professional staff. Here the differentials are also small, much smaller than in other countries. For example, the ratio of the wages of wage earners as compared to the salaries in the Civil Service group amounts to 1:2.4: while in Britain it amounts to 1:10, and in the U.S. it is even higher.

In the salary earning class we have the following large groups with interests and organizations of their own:

1. Civil Servants, who in March 1955 numbered 30,872 of whom 40 per cent were new immigrants.[1]

2. Clerical and professional men working in public and Histadrut institutions or for local authorities, who in September 1954 numbered about 30,000. Among these, Histadrut officials alone in all the various institutions numbered 14,000.

3. Clerical men in industry, trade and services of all sorts, presumably about 30,000 strong; of these about 20,000 are organized in the clerical union.

In the salary earning class clerical workers in the public and semi-public institutions form the large majority with the Histadrut officials as the nucleus and the organizing core of the whole class. They are indeed strongly organized and represent about one fourth of the total number of wage and salary earners.

We come now to the working class in the strictest sense,

[1] New immigrants are those who came after the establishment of the State.

i.e. to the manual worker *(poel)*, the man who works for his wage with his hands. A clerical man would never call himself a *poel*.

The whole mythos of work, of the redeeming qualities of sweat and toil for Jewish society which will be regenerated and rejuvenated, applies to this class. The pioneering spirit, the settlement of the borders, of the Negev and Galilee, applies to the *poel* plus the *Kibbutznik*.

In this class there are four broad industrial groups which form the bulk of the Israeli workers:

1. the industrial worker,
2. the building worker,
3. the agricultural worker, and
4. the transport worker.

The largest group is that of the industrial workers in the constantly expanding crafts and industry. The most interesting group with an enormous range and variety of types, is that of the transport workers. The building and agricultural wage earners show a great degree of mobility and inter-changeability. They can hardly be regarded as crystallized in definite groups.

In all these categories a very important division must be added: permanent and temporary workers.

A separate and quite large social layer within the working class are the *Lumpenproletariat*, to use the Marxian term for those workers without status, with no rights of their own, constantly suffering the hardships of unemployment and poverty, and to a large degree handicapped or unemployable.

4. Status Distinctions Among Manual Workers

A strong tendency towards egalitarianism is expressed in the wage policy of the Histadrut, which tries to cut down the range of wages and salaries as much as possible. The premium on skill is by no means low, as compared with England, as far as manual workers are concerned, but it is considerably lower than the requirements of the labor market would suggest.

There is an enormous shortage of skills, and skilled workers often get an extra bonus above the official rates, given mostly in an underhand fashion.

But, curiously enough, as if to balance this trend towards egalitarianism, there is a strong contrast in the quest for status as expressed in the multiplication of grades. Every job, skilled, semi-skilled and unskilled, is graded into many rungs, much above the range of grading in Britain. Where in Britain there are one or two grades, you may find four or five in Israel. To quote some examples: in the British building industry there is only one grade for a craftsman (skilled man), in the Israeli building industry there are 5 grades for craftsmen. Machine operators in Israeli agriculture have four grades, workers on poultry farms or cattle barns three grades. In transport, drivers have four grades. In foundries there are seven grades of skilled men and four grades of unskilled men. In the wood and furniture industry there are six grades of workers.

There is moreover, a tendency to extend the range of grades, as if status is to compensate for small wages. The wage differential between one grade and the next is often

no greater than the shadow of a shade. In the building industry there are two grades with identical wage rates, but the distinction seems to be appreciated. This craving for status may be the remnant of a middle class psychology, the dialectical counterpart to the trend towards equality.

The grades are sometimes related to the time of service, and therefore given automatically, based on the simple assumption that a man with longer experience must show a higher skill. This is especially true with unskilled labor but also, to a certain extent, applies to skilled labor.

More often the grades in skilled labor are based on certificates of proficiency, based on special examinations given by the respective trade unions. The grades in most cases are given by the unions (Histadrut) and the employers complain that they have little to say about it. They also complain about inflationary tendencies in this respect, about the tendency to grant a higher grade than that which is due. In fact, the employers often disregard the grading of the Histadrut, and offer the newcomer the grade they regard as more suitable. This, in the view of the Histadrut, is an illegal practice but is often tolerated.

The other line of status distinction is based on the differentiation between daily and monthly workers. Daily workers are "on the clock," being paid only for the actual hours worked, while monthly workers share all or most of the privileges of clerical workers, especially in regard to sick pay, holidays, etc. The vast majority of manual workers in industry (about 90 per cent) are daily workers, but some old hands or very skilled men (apart from supervisors) have achieved the status of monthly workers. The monthly workers are covered by separate collective agreements, and have greater stability of employment. Often

they also have their own Workers' Committee in the shop or factory.

Still another line of distinction linked with the previous one but separate in itself, is that between permanent and temporary workers. This is the basic and most important distinction under Israeli conditions. The first question you ask a worker is: "are you permanent *(qavua)* or temporary *(zmani)?*" A permanent worker gets the full social benefits and seniority rights which he acquires in time. He cannot be dismissed, except for specific reasons. A temporary worker is an underprivileged worker with many handicaps. He often gets lower wage rates, as in the case of industrial, agricultural or transport workers. He does not have the right to a family allowance or a seniority allowance a permanent worker has. In most cases he enjoys social benefits through arrangements with special Insurance Funds of the Histadrut, to which the employers (and the worker himself) have to pay their contributions but these are much below the level of benefits enjoyed by the permanent workers. He is not represented in the Workers' Committee, but rather by the Labor Exchange.

Reviewing the status of the temporary workers we have to distinguish between temporary workers on jobs which are in transition to permanency, and those on temporary jobs who cannot acquire permanency. For example, a newcomer in a factory is temporary for three to six months, and after that time he usually becomes permanent, either automatically, or after a joint procedure involving the Workers' Committee. On the other hand, there are jobs which are by nature temporary or seasonal. Most jobs in building and agriculture are seasonal or temporary. A large number of jobs in transport are seasonal, as is a

considerable proportion of industrial jobs, especially in the food, textile and shoe industries.

However, there are cases of purely artificial division between temporary and permanent workers. Some are kept for years as temporary workers, as is the case of dockers in Haifa, where there is a large percentage of men serving for 3 to 4 years in this capacity. There we find workers doing the same kind of work for years. Some are permanent with higher pay and benefits, others only temporary. We have no reliable statistical figures as to distribution of the two classes of workers in the country. The Histadrut claims that in 1946 two thirds of the workers were in permanent places of work, while in 1955 this figure went up to 80 per cent.

From my questionnaire, answered haphazardly by 54 men in different workplaces, I could see that only 38 men had permanent jobs, 2 were semi-permanent, and 14 were temporary. As my questionnaire was answered mostly by the more intelligent workers in better jobs, I may assume that the percentage of the temporary worker in the country may be higher than that suggested by the Histadrut. Also the figures published in the fifth Report of the Civil Service Commission 1954/55 seems to support my statement. Among the manual workers who are Government employees and therefore tending to a greater stability of employment, about 30 per cent are casual or temporary.

It is a fact that the hardest jobs in the country, as in agriculture, building, road building, or transport (heavy porterage), are on a temporary basis. These jobs are not only insecure, but also heavy, requiring an exceptional outlay of energy in the Israeli climate. I can recall here what a young building laborer operating a cement mixer said: "It is a good thing the job is temporary, because after

a short spell of work I have to recoup my strength. I could not go on on a permanent basis, because after a few weeks I am actually worn out. I have to feed the machine all the time; the machine does not feel the effect of the *Khamsin* but I do."

The temporary workers have many problems of their own. They show a lower degree of union organization. They make constant use of the services of the Labor Exchanges, so they are often called "the men of the Labor Exchanges." They often develop an indifferent attitude, as they try to preserve their strength for the next job.

Actually the division into permanent and temporary workers shows a much greater complexity of texture than we would expect from this clear cut division.

Many industries and firms have developed a whole array of combinations between permanency and temporariness with different degrees of privileges and status. To give only a few examples:

Solel Boneh, the leading Histadrut-owned building firm, has the following groups of workers with different status and privileges:

1. The daily worker who can be dismissed daily.
2. The permanent worker, i.e. a worker who has priority of employment if there is work available. A daily worker, if his performance is satisfactory, usually acquires such a right after 3 years.
3. The established daily worker, who has priority of employment over the permanent worker if there is work available. He usually acquires this right after 5, 6, or 7 years of satisfactory work with the firm. Such a worker gets family and seniority allowances,

and has a right to a paid vacation of between 12 and 21 days.

4. The stabilized monthly worker, who gets his monthly pay (for 26 days a month) the whole year round whether there is work available or not, and who has a month of paid vacation. Usually he acquires this right after 15 years of satisfactory work, but the right to this position does not go strictly by seniority. It is actually a trade union appointment made on the recommendation of a special Committee of the Union of Building Workers.

There are only a few workers who have acquired the rank of permanency. In Solel Boneh in Jerusalem in 1955 among roughly 1,000 workers, only 53 had no. 2 permanency and 83 had nos. 3 and 4 permanency.

Private building contractors also have permanent workers, but only in the sense that they are given priority of employment if there is work available. The number of those who are given a guarantee of employment the whole year round is very small. More frequently a guarantee is given for the duration of a given contract.

In agriculture, also, there is a whole array of arrangements ranging from full permanence on a monthly basis to a more limited guarantee. There are permanent monthly workers who have a guarantee of permanent employment on a monthly basis (for 26 days a month); also permanent daily workers who have a guarantee of employment for more than 200 days a year, and workers with part employment with a guarantee of 150-200 days a year. Then there are seasonal workers with 100-150 days guarantees, and some with the right of re-employment for the next season and some without.

In the big transport co-operatives there are, apart from members of co-operatives, four kinds of status:

1. Stabilized workers, mainly those who worked for the co-operative before 1943.
2. Permanent workers.
3. Seasonal workers taken on for the whole season, often with the right of re-employment.
4. Casual workers, taken on from day to day.

For example, in Egged, the biggest transport co-operative, there were in 1955 about 1,950 members of the co-operative, and 1,300 employees. Among the employees 10 to 15 per cent were stabilized workers, 30 per cent were seasonal or casual, the rest were permanent. The stabilized workers had all the rights of co-operative members in regard to wages, social and welfare conditions, while the permanent workers had a smaller salary and different vacation arrangements. The lowest status was that of seasonal and temporary workers.

In some public employment we have two kinds of temporary work: casual workers with lower pay and lower benefits who are first to go in case of shortage of work, and temporary workers whose status is a little higher.

From this brief review it appears that the worker's world is divided into narrow spheres of statuses and privileges, surrounded by protective walls of collective agreements. The tendency to build such walls becomes more and more pronounced with time.

5. The Intelligence of the Israeli Worker

When one speaks with foremen, managers or union secretaries about the basic qualities of the Israeli workers the most frequent theme is the high degree of intelligence, both constructive and destructive. The inborn intelligence and keenness of the Israeli worker expresses itself in constructive contributions to production, as well as in negative criticism.

True, the educationl standards of the Israeli workers have dropped considerably in recent years. The time when a large part of the workers was recruited from lawyers, doctors, engineers and men of letters has long since passed. Now the basic education for the large majority of workers is the primary school, at best a couple of years of a secondary school, and at worst complete illiteracy.

In the restricted material of 54 questionnaires on work satisfaction answered chiefly by workers themselves, and therefore covering the more intelligent types of workers, I found the following distribution of educational standards:

25 had finished primary school.

8 had only a few years of primary school, or hardly any schooling at all.

8 finished a trade or technical school.

13 had all or part of a secondary education.

It is certain that the general standards of the working population are much below those shown by the questionnaire.

But all the same the Israeli worker is praised by his employer and supervisor as an intelligent and keen worker.

This is true of both the Western and Middle Eastern sections of the population, but more so in regard to the Western worker.

The Israeli worker is a keen observer and learner. He not only executes orders but thinks and reasons all the time. In the workshops you constantly hear "why," "why is this," and "why is that." The Jewish worker does not take anything for granted, he wants to know. The foreman and manager often feel annoyed hearing this frequent "why." "Don't ask questions, but get on with it," they may answer irritably, when they have no time and the job is pressing. The foremen often told me that when they give an order to do a job in a certain way, they may very often get a piece of work done better and sometimes worse, but rarely in the way prescribed in their order. This keenness has another side, leading to delays and misjudgments. Often it amounts to a lack of discipline. The men are overconfident, and not knowing the trade they do not realize its difficulties. Of course, by and large the management is pleased with this keenness and interest in the job, as it often leads to new suggestions.

"It is astonishing how the boys want to learn, and how quickly they get on," said a foreman. "They want to know, and they are not afraid to ask questions. What I object to is that they often ask questions to which they already know the answers, as if just to make sure."

The Jewish worker not only wants to know more about his job but also wants to get on, to get promoted, or, if that is impossible, to start his own business in a small way. He does not want to stay put, he is always on the lookout for openings for something better, even outside his trade. He is rarely attached to the trade, as the trade is something new to him. He is not "married" to the trade

as the craftsman in most industrial countries generally is. He thinks about his "livelihood" (the *parnasa*), not about his trade. If tomorrow a better livelihood is offered to him somewhere, he will willingly leave the trade.

"The trouble with our industrialists," I have often heard from professional managers, "is that they are mostly merchants with a merchant's mentality, their approach to business and to the workers is that of a merchant." This statement is also true with regard to the workers who have the same sort of mentality. They think not only about their own wages but are also busy figuring out how much the employer made on them. The surplus-value approach so frequently heard from the mouth of the workers comes not from studying Marx or Marxism, but is more truly the approach of the merchant who wants to know how much the other fellow made on the deal.

One foreman said jokingly to me: "During the midday break the worker, instead of relaxing and enjoying himself, goes to the lavatory and tries to reckon out how much his employer made on him." And there was a ring of truth in this.

The other characteristic often referred to by managers and foremen is a certain lack of team spirit which may be the outcome of the individualistic spirit of the Jew. He is very good in an emergency, in meeting new and unexpected situations. He uses his judgment, takes responsibility and acts on the spur of the moment. He is a born improvisor, but he is not as good when he is part of a team.

"The trouble," I often heard, "is that everyone wants to be a 'primadonna,' he does well as a solo player, but not as part of a team. He is not concerned about his effect on others, he primarily thinks of himself, while industrial

work is team work, it stands and falls with team spirit. There is too much of the 'I' among our staff, more so among the clerical and technical staff than the manual workers."

Sensitiveness, touchiness and consciousness of dignity are other common characteristics easily explained by the past record of discrimination and suffering. The Israeli worker is always on the lookout to see whether someone is trying to put him down. He is always asking for "honorable treatment" *(kavod)*. This feature is common not only among workers, but also among technical and professional staffs.

A secretary in a University Department told me: "Everyone here is concerned about his own *kavod* (honor), but he is little concerned about other people's *kavod*. Maybe this is due to cross-cultural differences, as we all come from different cultures. But this makes the work so much more difficult." Also in the Workers' Committees I heard a great deal about this.

Closely related is the insistence on rights, a sort of defensive attitude which is again the outcome of long experience as an under-dog in the Diaspora. When you ask the manager or foreman what is the most frequent phrase you hear from the worker in the workshop, he will answer, "You often heard the phrase: 'that is my due,' or 'that is my right' *(zeh maggia li)*." The Israeli worker is afraid that someone will disregard his rights, will pass him by and not give him what is his due. He watches closely whether his rights are honored, he argues and criticizes the leadership and watches to see whether it fulfills its duties and tasks. The job of a workers' representative is not an easy one in Israel, by any means.

Are these transient characteristics? There are many

things inherited from the minority-attitudes in the Diaspora, as can be seen from the comparison with the native born *Sabra,* but many of the traits are also induced by the specific harsh conditions of Israeli life.

6. The Worker and His Employer

Former shopkeepers, artisans and merchants turned workers, find themselves confronting former shopkeepers, artisans and merchants turned employer. So from one original social class emerged (or rather, are emerging) two classes, but two with closely resembling mentality and with nearly the same needs and wants as far as standard of life is concerned. "Have I not the same needs and wants as my employer?" a worker will ask. "Don't I go to concerts and the theater, don't I buy books, don't I let my children study, the same as my employer does? Don't I want to get on and make money, as my employer does? What is the difference? The difference is only that he is luckier, that he can afford the things I want and cannot afford."

The two classes, workers and employers, are too young to be mentally distinct; they are closely linked within the same archtype class. They understand each other well, from inside, as it were. The mentality of the one is an open book to the other. There is no tradition of superiority or inferiority between them. "Are we not all Jews" *(kulanu Yehudim),* the saying often goes. This phrase is often heard, especially if the problem of class distinctions is brought up. "He is no better than I, he is also a Jew."

A worker does not feel a distance between himself and his employer, as the latter is "also a Jew."

The Jewish worker lives with his employer on easy terms of comradeship; he turns to him on all occasions, very often addressing him by his first name. This is practically always true in craft and small scale establishments, but even in larger firms the relationship is free, easy going, informal. The employer takes pride in this being so, but, on the other hand, he complains that it hampers his work as a head of the firm, as he is frequently "pestered with small things," brought directly to him by his employees. Bypassing other lower rungs of authority is a very frequent phenomenon, contrary to all regulations. It is not so much complaints or grievances which are brought up to him, as for these the workers use his representatives, but small technical matters and all sorts of questions. The workers often treat their employer as an equal, oblivious to any social distance. "Yitzhak," the worker will say to the employer, "I would like you to explain to me this or that. Here it is written thus, but that is not right." And he will start arguing for hours on end, if permitted.

Thus the basic attitude of the Israeli worker to a private employer is informal, friendly, direct, and personal. The same applies to his relationship to a professional manager, and even more so, if the ownership is in the hands of foreign capital, of the Histadrut, or of the State. The professional manager is a sort of worker to him, with different functions and greater responsibility, but otherwise belonging to the same class of wage and salary earners, with little difference in terms of wage level or standard of living.

If this be so, how is one to explain the strong working class ideology, with its strong class consciousness and

solidarity, found among Israeli workers? It is a consciousness of the different economic situation in which people find themselves at a given moment, but not a consciousness of belonging to a different social layer with a different mentality, way of life, or outlook. The same class of people with the same mentality, way of life, outlook and tradition find themselves in two economically different situations, and have to defend different economic interests—that is all.

Anyway, the working class outlook of even the most class conscious Marxist lacks class animosity and hatred against the employer. The phrase, "We are all Jews," has a double meaning, it means also, "We come from the same class of people, from the commercial class. Even if our situation is now different, or even if we are in two opposite camps in terms of economic interests, we are still basically the same."

What are the basic differences in situation which determine worker-employer relations? Each is looking at this relationship basically with the eyes of a former shopkeeper, merchant, or artisan.

Is the worker not a sort of merchant after all? Previously he had been selling his wares, now he is selling his labor, and the employer is buying it. Thus the relationship is again that of a seller and buyer. Both sides are bargaining. The employer wants to make a profit by buying labor, and the worker's job is to achieve the maximum under given circumstances so as to cut the buyer's profit or his surplus as much as possible. Both sides accept the exploitation theory or surplus value theory as a matter of fact. Here, in Israel, it became clear to me that the surplus theory of labor is really a merchant's theory of labor, that the Marxian theory has at its foundation the merchant's attitude to labor, the buying of labor to make a surplus on it.

I was astonished to hear pronouncements which sounded like Marxian theories of labor from all sides, not only from European workers, but also from Middle Eastern workers to whom socialism was an unknown term. And similar statements came not only from workers, but also from employers, both large and small, and from independent craftsmen as well.

A small employer would say: "I can't make a living on five men, at least ten workers would give me a living."

A taximan might say: "You can't make a good living by working alone, you need a few extra hands to make a living on them."

A Middle Eastern worker: "It's thousand times better to work for oneself than for the employer. Why does the employer want you to work for him? He wants to get out of you as much as possible. He is not giving you work because he likes your eyes, but for what he can get out of you."

A European worker: "Even the best and kindest employer must exploit you, otherwise he wouldn't employ you. Naturally, he wants to make money on your work, and you must be on your guard not to let him squeeze too much out of you. I have nothing against my employer, but I do not need to thank him for my job. He is not keeping me, I am keeping him. He has a car and he goes abroad for an expensive holiday on the profit I am making for him."

A Kibbutz, while employing hired labor in its factory and paying the usual wages, will feel badly about exploiting labor. So, to ease its conscience, it will put aside what

it regards as surplus value into a special fund for social improvement.

We must also take into account the Middle Eastern experience with hired labor common in most underdeveloped countries. Hired labor in an underdeveloped Middle Eastern country somehow has the aspect of buying leisure at the expense of the laborer. The farmer who can afford to hire labor sits under the fig tree, smoking his tobacco or drinking his coffee, lazily watching the laborers who work for him. He is actually maintained by his laborers in the strictest meaning of the term.

But the basic conception of the nature of employment is that of a merchant. From this conception follows also the worker's attitude to work and to productivity.

In one of my interviews the employer of a large candy factory with 300-400 men, started his statement on labor productivity as follows: "You can get anything you want from the Israeli worker provided you pay him well for his output. That is the whole secret of productivity in Israel. In the bonus system we have discovered 'the philosopher's stone' to the problem of productivity. It can change the workman's laziness into utmost diligence, it changes sloth and idleness into bustle and speed. That is my message, and that should be your message in your book. Give the Israeli worker what he wants most: money, but give it to him in a good businessman's bargain, and he will give you output, plenty of output. He knows how to work, if he wants to, on that you may rest assured. He is no fool."

This was a bold statement but true, as I found out later in my investigation, and I will discuss it in another context.

I have depicted here the background of the worker's

attitude to his employer. Into this background the educational work of the Histadrut introduces a new and very important element with its teachings, its theories and its daily practice. The Histadrut teaches the worker that his relationship to his employer is not that of a seller to a buyer pure and simple, but of a partner in a social process of production with a status of his own, that his labor power is not a commodity like other commodities, that the labor market is not a market at all, that his relationship to the employer should not be direct and personal, but should go through his representatives and the Workers' Committee, that his approach to productivity should not be that of a seller of labor only, but of a citizen who has duties towards the nation and the state, that his loyalty should be conceived in larger terms as a loyalty to his class and to his nation.

In old factories, twenty or thirty years old, we can see fully the effect of the educational work of the Histadrut. In the new factories it is still too early to expect full results, but it is astonishing how quickly the Jewish workers learn, even those coming from the most primitive and educationally most backward surroundings. They all learn in no time to address their complaints not directly to the employer but through their representatives, or the Secretary of the Workers' Committee, and to enlarge their loyalty, seeing their employer as a dual image, as the firm on one hand, and the Workers' Committee on the other. If they still think about their jobs in terms of selling their labor, they are selling it through their intermediary, through their agent, or through their syndicate, whose instructions they have to follow.

The merchant's approach to the labor market is thus basically modified by the modern labor relations approach

as taught and practised by the organized body of class conscious workers in the Histadrut.

7. The Quest for Independence

If you ask a worker what are his aspirations, what he wants to achieve in his trade, the most likely answer is: independence. In industry and trade, in building, in transport, in agriculture, the same answer is forthcoming. This quest for independence is a very deep and genuine urge with a long tradition in the conditions of the Jewish Diaspora.

A youth and a middle aged man would feel the same about it. A youngster of 18, a painter's apprentice, was explaining to me the motives behind his own quest for independence. "Isn't it natural that every man wants to be master of his own fate? Wasn't it natural for the Jews in the *Golah* to want to achieve independence? Isn't the independence of a nation a precious thing, and isn't the same true of an individual? I don't want to get orders from others."

A Jewish worker from Persia explained to me his own quest for independence in this way: "A job, even a government job which is the best sort, is a livelihood *(parnasa)* from other people's favor. First you have to ask and beg them to give you a job, and then to keep you on the job. But an independent business is *parnasa* from Heaven; it comes directly from the Lord. You can lose it only through your own faults, or as punishment from Heaven."

An orthodox Jew was explaining to me that for him an

independent business is a *sine qua non* for his piety, as in a job it is not easy to keep all the commandments *(mitzvot)* and to go twice a day to the synagogue, or even to pray three times a day as is required. "Only when you are your own boss, can you serve God, as it is written in the Torah."

This quest for independence has both its positive and negative effects in industry. On the positive side, the worker is eager to know more and to learn everything he can about the trade. He watches the manager or the foreman to acquire all his tricks and all the secrets of the trade, so that he can apply them in his own workshop. The worker often becomes a pioneer opening a new business or carrying on the trade in a similar line of business, providing the incentive for competition and efficiency. For instance, the textile factory *Lodzia* became this way the parent factory for three other establishments. Foremen and skilled technicians from *Lodzia* simply left and opened their own businesses with the help of financiers.

But on the negative side, this tendency often leads to atomization of business. Instead of one prospering business with expanding facilities and a real chance of development, two or more businesses lead a shadowy existence. The original firm may have been crippled, having lost a foreman who usually leaves with a number of the best craftsmen and engineers, while these in the end may find the road to prosperity a thorny and stony path leading nowhere.

A shoemaker in Jerusalem who was previously employed in a shoe factory as a skilled worker, was telling me his story: "I left because I wanted to be my own boss. I was a shoemaker in Morocco, so I wanted to be the same

here. In the factory I made, with a bonus, up to IL 240 a month and worked only 8 hours a day, with holidays and a holiday bonus. Now I work practically the whole day, from morning to late at night. My home is one big mess, as my workshop is adjacent to my home. I have no holidays, and I am glad if I can make IL 150. I would be glad to go back but I am ashamed. I would like my story to become known as a warning to others how foolish it is to yield to the mirages of so-called independence. You put yourself in a cage and you are a slave to your own greed which leads you nowhere. Too many men think in foolish terms about the glory of being independent, not realizing its real misery."

In fact, in many factories I heard the story of clever and ambitious men leaving and then coming back ignominiously, admitting their defeat. The mistakes they made were invariably attributed to unfairness primarily of the tax commissioner and public authorities. They had to pay high taxes, they could not get raw material in proper quality or quantity, or the customers did not pay off their debts, or the partner who provided the money was a swindler, etc.

There is another negative aspect to this quest. It results in excessive secrecy in technical matters, as the owner-manager, especially in small workshops, is reluctant to train his own men beyond a certain point. He is afraid to take his best men into his confidence and to show them all the tricks of the trade, as he might be training future competitors. Many small employers stated this fact openly or referred to losses they suffered from their new competitors whom they had helped to train. "It does not pay to train a man properly. If he is that good he will become

my competitor in his own workshop or in other men's workshops," a small employer complained.

A marked tendency to excessive secrecy and exclusiveness prevails all over Israeli industry, not only for this reason but for many others as well. A lack of confidence in others and a lack of openness can be observed compared with what I have seen and experienced in England. In England, or in the United States, people are not afraid to show their own methods, even the newest ones, and explain them fully. They aim to have other firms follow their methods and use their improvements. But in Israel a factory which follows only other firms' methods is still afraid to reveal them.

The quest for independence has other effects, bringing into existence the most unexpected relations and combinations. In the building industry a clever worker may get together with a few others and form a partnership which undertakes certain types of work on a contract basis even employing hired labor. The building industry in Israel is full of such small subcontractors.

In Tel-Aviv and in every other large town there is a definite street corner where independent workers offer their services, undertaking to do work as private contractors. They do not maintain the Histadrut rates, as they are, they claim, independent contractors, undertaking a piece of work for a price. They do not accept wages.

In the transport industry we find the worker-owner, owner of a taxi, or of a truck, working for a transport firm on the basis of a rate for a job, for a journey or by the kilometer-ton.

There is also a number of transport co-operatives whose members are worker-owners, owning shares of IL 10,000 or more.

In agriculture there are many forms of production co-operatives which combine work with land ownership, apart from the Kibbutzim, the integrated collective settlements. The Kibbutz movement started with socialistic and pioneering ideas, and was conditioned by a set of factors existing in Palestine in the days of the early settlers. The youngsters from Russia and Poland, who wanted to become workers, had no employers so they had to be their own employers. They wanted to build a model community of working socialism, and they could overcome the hardships and insecurity of their life and work at that time only by the collective effort of workers and watchmen *(shomrim)*.

But the quest for independence which lies so very deep in the Jewish mentality, played its role in building the Kibbutzim. They did not want to become proletarians exploited by others. They wanted to work for themselves. A Kibbutznik, asked about his status in a Kibbubtz factory, whether he is productivity conscious, or whether his productivity exceeds that of a hired worker, answers you proudly: "The difference is that we work for ourselves, while a hired worker works for his wage."

A Kibbutznik is really self-employed although he styles himself a worker, and a heavy worker at that, who earns his bread by the sweat of his brow. But he is definitely not a proletarian. He is a partner in a great land and capital owning community, and nobody holds a whip over him. He works according to his ability, and he is his own boss.

So the Kibbutz movement which sprang from many sources did justice not only to the workers' aspirations but also to the Jewish mentality and the quest for independence. Industry and crafts also are full of working

co-operatives on a small or large scale again reflecting the same tendency.

It is not just by chance that the producers' co-operative movement grew in Israel and developed far out of proportion to other countries in a similar stage of development. The movement was fed by the aspiration of the workers to become their own masters.

This quest for independence is a powerful urge which dominates the life of a worker and his family in more ways than one. It makes him work long hours if an incentive is offered to him; it makes him accept side-line jobs. It affects his hobbies and pastimes. It also makes him use his free time for study and self-improvement. I met a printing worker who was preparing himself for the study of history at the University, a taxi-driver who studied in the evening to become an archeology student at the University, a building worker who became an assistant at the University, and many others with similar goals.

The Israeli worker is not a drifter. He has a strong purpose before him, and he always keeps it in mind. If he cannot be independent in his business, he wants at least to own a house or apartment. A young worker saves first of all to buy a *shikkun*, a flat of his own, and then he sets himself other targets, like purchasing a share in a producers' co-operative or buying a shop, a workshop, or a garage. If he feels that he cannot attain his own aspirations he will transfer them to his children and will try to give them a good education meaning by it an education which will enable them to lead a life of dignity and independence, as the two go together in his mind.

8. The Cycle of Proletarianization and De-Proletarianization

The socialistically inspired youths who came with the Second Aliya from Russia, Poland or Rumania were of middle class stock. They were sons and daughters of shopkeepers, independent tradesmen, craftsmen or merchants who were sick of the conditions in the Diaspora both in national and social terms. They wanted to escape the narrowness of both the ghetto and the *petit-bourgeois* existence. Socialistically inspired, they wanted to become workers. It was a unique phase of social history, a conscious drive to move down the social ladder, at least a few rungs down from the bourgeois, or the petty bourgeois to the proletarian. It was a conscious act of proletarianization carried out at the price of great hardships and disappointments. And they performed great things, laying the foundation for the future state, establishing the Kibbutz movement and the Histadrut.

This process of voluntary proletarianization continued until the 1930's and practically came to a halt at the beginning of the second World War. But even now it takes place occasionally, when a youth from a bourgeois home decides to join the ranks of workers, usually the ranks of self-employed workers in the Kibbutzim or Moshavei-Ovdim.

The process of mass proletarianization taking place at present has an entirely different character. It takes place under the whip of necessity and is exercised mostly on new immigrants. The process is stretched over a longer time and is very painful. At first the new immigrant desperately tries to keep his trade or profession, or at least his class, losing his savings in the dogged effort to continue in his old trade or profession, or looking around to find something similar to what he has done before. Then comes a protracted spell of unemployment with loss of self-confidence and self-esteem which prepares him to accept any job just to keep his head above the water. Often the way to the wage proletariat leads through the way of *Lumpenproletariat*. He enters the new class of proletarians penniless, from now on under the constant threat of starvation if he refuses to work for his living.

In this way a middle class man in his country of origin becomes a proletarian in Israel. This, of course, colors his whole attitude to Israel and its new society. In his own country he occupied the middle rungs of the social ladder, he was somebody, he was respected, he had self-esteem and self-confidence through being comfortably off, with a certain sense of economic security.

In Acre I met a woman who had come from Poland six years ago, and I asked her how life was in Israel. "Very bad," she answered, "over here you have to work hard. My husband has to do *schwarze Arbeit* [black, i.e. unskilled, labor] in a lunatic asylum. In Poland he was a wood merchant in a big way."

In Haifa I met two Rumanians engaged in public work reserved for the unemployed: "If we were willing to work in Rumania half as hard as over here, we could have been comfortably off there. We left, because we could not continue at our trade, and we did not want to take to working with our hands." You can hear the same pathetic cry: "We have to work hard," meaning we have to do manual work, from men from Persia or Iraq or North Africa. They were clever enough in their previous environment

but they are not clever enough vis-à-vis their brethren from other countries, or the veterans *(vatikim)*, who have built walls of protection around themselves.

Those who undertook the process of voluntary proletarianization wanted to continue as permanent workers but in fact only few have held on as wage-earners. The members of the Kibbutzim continued, of course, but they can hardly be classed as proletarians. In the wage earning class only few remained in the old factories such as *Shemen* or *Nesher*. From the building industry and from agricultural labor they withdrew nearly completely; in transport they moved to self-employment as members of the big transport co-operatives or worker owners; in industry they moved to the class of foremen or managers, or to the Histadrut offices.

First, they had to move because they were getting on in years, and they could not do the same kind of work as they had in their youth.

Second, they had to move up because the expanding scale of business and employment, and the expanding Histadrut organization offered openings for promotion—and they had the experience. They provided the leadership of the working class, the organizers of the many institutions which sprang up. If they still belong to the working class they form the bureaucracy and the leaders of this class.

Third, the new government offices and institutions claimed their services as experienced workers with a knowledge of Hebrew and a familiarity with conditions.

Fourth, a number of them turned to the employers' class or became professional people again. A number of doctors, lawyers, technicians, who started as workers, turned back to their professions.

Very few remained in the wage earning class of those who joined its ranks by a conscious and voluntary act of proletarianization, and nothing much remained of the ideology and philosophy which they developed while joining the ranks of labor.

The present wage earning class is almost entirely made up of those who have undergone the process of enforced proletarianization, and their psychology and ethos of work prevail as the psychology and ethos of the working class. They do not want to remain permanently in the working class, but most of them may stay in it for the rest of their lives. They approach working class problems without the halo of Gordon's religion of labor, without idealistic spectacles. They are constantly on the lookout for avenues of escape but these are few and far between.

What is the outlook of a merchant or of an independent tradesman forced to become a workman? How does one feel changing class membership from middle class to working class? Do habits, customs and mentality change too? And how do the remains of the old class, and the formation of the new, intermingle and interpenetrate to form a novel consistent structure?

A few typical cases illustrate the nature and scope of the problem:

A former shopkeeper from Iraq, now a bricklayer in Jerusalem: "I enjoy this new life and I like my mates. I am building Eretz Israel, and that is a good feeling. My muscles have grown hard, and I have to use them. But if I am laid off and don't work for a couple of days, I feel sick. My strength works against me." He told this with a smile, and took this change goodheartedly. He came to this country relatively young, and he adjusted to it easily. He made an interesting point that, when you

get into the habit of working, idleness operates against you, threatening not only your moral balance, but also your body physically.

A man from Hungary: "In my country of origin I had a bakery, but now I am working as a baker in someone else's bakery. But I can tell you this: it is better to be a worker in Israel than an employer in the *Golah*. I have not lost anything by becoming a *poel* (worker)."

We must realize that quite a number of men from the so-called lower middle classes, especially from the Middle East, not only maintained their standard of living, but actually were able to raise it. They have changed their status in society but they have gained in terms of welfare, and, needless to say, also by becoming full citizens in a country of their own.

A worker in a small shoemaker's shop in Tel-Aviv, from Rumania, former owner of a shoe shop:

"It is a good thing that I knew something about shoemaking, so that I could become a worker here. The difference between my former and my present life is first of all that now I have no worries, no income tax returns, no quarrels with customers and suppliers, no threat of bankruptcy. I don't need to think. At the slightest trouble I turn to my master. When I am home, I don't have to think about my work. The second thing is that previously my strength was in my tongue, I earned my living by talking. Now my strength is in my hands. And they have become thorny. On the whole I can't say that I altogether dislike the change. What is bad, is only a certain monotony. In a way my former life was more active, more mentally active. I was more alert, if you understand what I mean."

His way of putting things explained a great deal. It

explained to me why Jews all over the world are regarded as talkative, why they excell in talking. It explained to me also why the managers and foremen complain that their workers talk too much. One manager said to me that he had to put a partition between two workers sitting across from each other because they were spending too much time talking. Of course, a salesman's strength lies in talking, and the Jews were, in a large proportion, salesmen of one kind or another.

I looked at the hands of the Rumanian Jew and saw that they were puffed up with big swollen fingers. I asked him whether he had fingers like that in Rumania. "No," he said, "I hardly used my hands." This is the most characteristic change in the switch over from the middle to the working class.

In Acre, while visiting a factory I met a secretary of the Workers' Committee, formerly a transport agent in Latvia. He presented his problem of change in this way: "I only feel that I am a worker during working hours. When the bell in the factory rings, I put on my coat and I am a different person. Although I am the secretary of the Workers' Committee, I hardly mix with the others outside the factory. They mostly come from very backward countries, and they hardly know how to use the toilet, or a fork and spoon for their meals. At home I live as I used to all my life. I have rebuilt my home exactly as in Latvia. I have my books, my phonograph, my radio, and even my furniture stands the way it used to stand 'at home.' I don't feel I lost anything by changing to the working class. I am on so many committees, also in many of the town and social committees, that I feel I am useful and respected.

"Of course I now subscribe to the workers' philosophy

of life. I am against the exploitation of labor by the employer. An employer is bound to exploit his labor, so we put up a wall of protection against him."

This man was representative of a large group of workers with a bourgeois way of life. "At home I am not a worker, I am like anybody else," they would say. In fact, the worker, if not in his working clothes, when going to work, or returning from it, is indistinguishable from the Israeli middle class, so much so that the question was raised whether two such separate classes in Israeli life really exist. A former bourgeois turned worker, even if he mentally accepts his worker's position tries to recreate his former existence and leads a bourgeois way of life.

The style of life of a European worker is bourgeois, or rather petit bourgeois and if the style of life of the Middle Eastern worker is different, it is not because he turned worker, but because he comes from the Middle East and his whole style of life has peculiar characteristics which are different from the rest of Israel's middle class from Western stock.

Up to now we have been dealing with cases of men who have adjusted themselves to their new situation, and achieved an integration or compromise between the old and the new.

But there are many cases of maladjustment, of mental rejection of the new situation with a complex of grievances and true or imaginary complaints. Many live in a world of escape, remembering the past as an idealized picture of prosperity and wellbeing, exaggerating their previous status, making it full of importance and dignity, fleeing frequently into a dreamlike world in a process of almost infantile regression. They go on re-telling the story of their imaginary wealth and status in their country of origin so often, that finally they start to believe it themselves.

Their attitudes to work is negative, they regard themselves in their present positions as transients about to take off at the next opportunity. Why should they care about work, if they are only temporarily here? It will not be long before they get back to their former status, they think.

A labor manager in a large factory told me about his experience in this respect: "When I get a batch of newcomers into my place, I can divide them easily into two groups: there are men who have a positive attitude to work and the factory, who want to stay on and identify themselves with the work and the place; and there are others who from the start have the attitude of withdrawal, of temporariness, of biding their time. They feel or know that they are not going to stay, so they don't last long."

A large proportion of the maladjusted men belong to this category of transients who hope for the process of de-proletarianization which only occasionally takes place.

The real process of de-proletarianization occurs more frequently among the perfectly adjusted type, those who work hard and use every occasion for saving and for planning together with their family for an independent position. Those who reject the process of proletarianization, who hate it and fight against it, getting involved mentally and disturbed emotionally, have very little chance of escaping it, being in and out of jobs all the time.

More frequently the maladjusted are recruited from the category of people with a very set and fixed middle class ideology, or with very highly developed egotistical traits. The "lover of Zion" or the religious man who

glories in being in the Holy Land, or the socialist, who regards himself as the backbone of the country, and its builder, has a greater chance of sound adjustment.

9. Ethnic Composition and the Two Israels

The Ingathering of the Exiles *(Kibbutz Galuyoth)* from seventy-two countries with their many languages and dialects produced an unmatched pattern and scale of group relations. Immigration from the West and the East, from Christian and Moslem cultures, from the most advanced and the most backward countries, the immigration of pioneers and idealists, refugees and fugitives, ordinary settlers and businessmen, the immigration of different races, with all sorts of combinations and mixtures in terms of culture, religious beliefs, customs and traditions—all this illustrates more than anything else the uniqueness of Jewry which gathered in the land of Israel. We can see nearly all the races and cultures of the earth contributing to the formation of Jewish people who in themselves constitute a small community of races and nations. Although unique in its mosaic-like diversity, Israel is bound together by common ideals, religious inheritance and the indefinable and imponderable spiritual aspirations of Jewry.

No one can deny that the strains and stresses arising out of this multi-cultural mosaic are heavy, but somehow they are overcome by tolerance, patience, the memories of past sufferings, the common vision of the future, and the myth of the Holy Land.

Not all the ethnic groups show the same power of resistance and resilience. Some withstand the pressures toward uniformity better than the others, some are more exclusive and more closed than others, some are also more resourceful and vigorous in their associational activities, covering a much larger ground, having their own newspapers and books, fraternities and clubs. Some live dispersed, while others huddle together clan-like, or ghetto-like, in their own villages which are replicas of their villages of origin. Not all ethnic groups can hit it off together and not all are equally adaptable to the new requirements and conditions of Israel.

Here we are concerned more specifically with the impact of the ethnic composition on the working conditions and work relations. The mosaic-like structure of the working population in factories and mills must be seen and experienced to be believed. In a medium sized establishment employing some 250 men as in *Slilim* (textile factory in Azor owned by *Hamashbir Hamerkazi*) there may be 13 different nationalities each with its own language, and not infrequently a translator is needed for effective team work in a small working group. The ethos of work, work customs and traditions, work discipline, the relationship to superiors—all show marked differences.

The main lines of division are based on the following distinctions:

1. The Middle Eastern population, occasionally referred to as Sephardim,[1] originating mostly from Southwest Asia and North Africa.

2. The Sabras, the native born population.

[1] Actually, only the descendants of Jewish exiles from Spain can properly be called Sephardim.

3. The Western population from Europe, America and the British Commonwealth.

The Sabras themselves show the Western-Middle Eastern dichotomy, some stemming from parents born in Europe, some from parents born in the Middle East; but in the main the Sabras from both sections have already acquired to a certain extent a Western style of life which is by and large characteristic of Israeli life, so that they can be counted more frequently with the Western style workers.

Thus the main line of division is Western and Middle Eastern population.

We have few reliable statistics concerning the ethnic composition of the workers. The Histadrut figures (for 1955) concerning its membership, based on the statistics of membership dues read as follows:

12.2 per cent native born,
58.3 " " of European origin,
1.0 " " Americans or from British Commonwealth countries
28.5 " " of Asian or North African origin.

However, these figures also include the members of the Kibbutzim who are of a predominantly European origin. If those are excluded the percentage of Asian and North African origin would be higher. The Histadrut officers themselves warn us that these figures are approximate, and only have illustrative value.

The other line of distinction, somewhat linked with the former, is based on the time of immigration, or time of settlement in the country. The waves of immigration brought different types of population with different characteristics. The Second Aliya (The Second Wave of Immigration during the years 1904 to 1914) which gave birth to the collective settlements and to *Hashomer* (the organization of mounted watchmen), may be regarded as the Pilgrim Fathers of Israel with the possible inclusion of the Third Aliya (the immigration of 1919-1923. All other Aliyot starting with the Fourth (from Poland in 1924-25 under the influence of fiscal reforms of Grabski, which severely hit Polish Jewry) then the so-called German Aliya of the 1930's, and finally the post-war immigration from European camps and from Arab countries right up to the present—had a more or less forced or semi-forced character.

But here again the main line of division is based not so much on the actual waves of immigration, as on the distinction between the old established population (*vatikim*—veterans), i.e. the population which came to Israel before the establishment of the State, and the immigrants who came afterwards (*olim hadashim*—new immigrants).

The old established population could, of course, secure better housing, better jobs and positions. They lead in politics and economics, in arts and culture. They provide the leadership and in their hands rest the affairs of the State and of the nation.

The new immigrants are handicapped in a thousand and one ways by natural, technical and social handicaps, as well as by certain institutional arrangements which work against them, about which more later. Not the least of the handicaps is the language barrier, as the new immigrants are deprived of the most essential and most vital medium of social life, the medium of communication, as well as of real knowledge of the intricate social, political and economic setting of Israel.

Ben-Gurion and other leaders speak about "two Israels," since the two sections show great differences in standards of living, standards of education and culture, and standards of community participation. Often the two Israels do not meet at all; the immigrants live in their own quarters, or in their own localities mostly in peripheral areas.

In the Negev about 92 per cent of the population of 75,000, in the Galilee and the Emek about 2/3 of the population of 180,000, consist of new immigrants. But also in the center of the country the new immigrants live in labor villages, or immigrants' villages or similar settlements.

The two Israels are characterized by different ethnic compositions, so that the social strains arising from the existence of the two camps are surcharged with the tensions of ethnic differences. The percentage of Middle Easterners is much higher among the new immigrants than among the old established population.

The manpower survey of 1954 gives the following figures for the gainfully occupied population:

16 per cent native born,
47 per cent new immigrants,
32 per cent old established population.

Thus the second Israel is nearly (and for 1955 exactly) as strong as the first Israel.

Among the old established (working) population only 12.9 per cent of the men and 7.3 per cent of the women came from Asia or North Africa, as against 43 per cent of the men and 35.5 per cent of the women among the new immigrants.

These figures refer to the working (gainfully occupied) population which term embraces also self-employed, em-

ployers, or members of co-operatives. In the wage and salary earning classes the participation of the Middle Eastern population would be much more pronounced, and even more so in the wage earning class only, i.e. in the class of manual workers.

However, the highest percentage of the Middle Eastern population can be found among the building workers, the agricultural wage earners, the dockers and porters, the workers in heavy industry, or temporary workers in industry at large.

The prevailing rule is simple: temporary jobs, or the least popular or heavy jobs, are offered to the new immigrants, and they have little chance of being able to refuse such jobs.

However, such a rule prevails not only in Israel but in most immigration countries. As the least popular jobs are usually the unskilled jobs, and the Middle Eastern population has not been able to acquire skills, at least skills suitable for Israel, this rule weighs heavily on them. Supervisory and skilled jobs are mostly in the hands of the Western population.

In industry the ethnic composition of a given establishment differs primarily according to the age of the establishment, the degree and amount of skill required, and its geographic location. The older establishments like the cement factory *Nesher* in Haifa, or *Shemen* have a predominantly European staff, while in the new establishments, which were founded after the War of Independence, it is predominantly Middle Eastern. The predominance of the latter in some industries has also something to do with the age requirements. Some industries, especially of the heavy type, require very young men, and the younger age groups in the country show a relatively higher per-

centage of Middle Easterners. Factories of the heavy type such as *Yuval Gad* in Migdal Ashkelon making pipes and tubes are nearly entirely staffed by Middle Eastern workmen.

Also factories placed in regions near *ma'abarot* (immigrants' transit camps) or other localities of new immigrants, like the *Alliance* (tire factory in Hedera), have predominantly Middle Eastern labor, because no other labor force is available in the area. The same is true in such plants as the ceramic factories in Beersheba or the pipe and tube factory in Acre. Generally speaking one can note here a very clear and pronounced tendency, namely the steady general growth of the Middle Easterners in the wage earning class all over the country.

The increasing by Middle Eastern character of the manual work force in Israel is going to raise serious social problems, especially if the clerical worker of the higher order, the manager and the employer will be chiefly of Western origin. The class cleavages may thus become very serious, as they may be overladen with ethnic tensions.

The fact is that the sons of the manual workers of Western origin have no desire to enter their fathers' occupation. They go to high school and college, enter professions and commerce, or become clerks and civil servants. In *Shemen* or *Nesher* (Haifa) there is hardly any second generation recruited from sons of the veteran workers. The ambition of both the sons and the fathers on behalf of their sons, is to move out of the working class, so that the field is left increasingly to the newcomers from the Middle East.

Does the Middle Eastern worker direct his grievances or resentment against his Western comrade who is doing better, or, rather against his Western leaders?

Yes: because he may feel that he is being assigned the position of a hewer of wood and a drawer of water. Although there is little if any discrimination on account of ethnic origin, actual conditions as they prevail put him at a disadvantage in the contest for higher jobs.

No: because in most cases the Middle Eastern population reaches a relatively high standard of living in Israel, often higher than in the country of origin. Even an independent shopkeeper or craftsman, let alone a peddler or hawker, who became a manual worker in Israel would often enjoy a standard of living higher than that which he had in his native country. At any rate, his standard of living is rising rapidly. In 1952 there were one quarter of a million Jews in *ma'abarot* mostly from the Middle Eastern population. In 1956 the number of persons still living in *ma'abarot* was less than 50,000, i.e. approximately 6 per cent of all the new immigrants, mostly those who came last, during the great wave of immigration primarily from Iraq and Tripoli.

Besides, there is one more factor which is very important in this balance sheet: the enormous facility for adjustment of the Middle Eastern Jew, far above all expectations.

10. The Problem of Monotony

The problem of monotony is potentially a big problem in Israeli industry. Not that the jobs are any more monotonous in Israel than anywhere else, but the human material is more sensitive to monotony. The Jew is used

to movement, to change, to using his brains, to solving problems. He does not like to stick to one place, to do the same things over and over again in a mechanized routine. This would dull his mind, and he regards it as the prime duty of every human being to cultivate his own mind. At least this is what he has been taught. Perhaps the Middle Easterners fall a little behind in these aspirations, but by and large it is also true of them.

The Jewish workers were recruited from a class which had a wide range of work interests and activities. If they were shopkeepers, they served their customers with whom they were in personal contact, with whom they could have a chat; if they were artisans, they saw the whole product of their hands, deriving a satisfaction from this. Their customers praised and valued their work, the work itself always had variety. They were not just a cog in a wheel. They were individuals, and the individualistic character of the Jew could find full expression in exercising his trade.

The contrast between what a shopkeeper or a peddler or a craftsman was doing before and his present operation on a machine is too great not to express itself in feelings of inadequacy. This feeling may be an additional reason why so many people dream about regaining their independence.

What we call monotony is a very involved feeling made up of many elements; in fact, there are many forms of monotony which need to be treated separately.

First there is the monotony of place. A whole place may be monotonous with no life in it, no movement. The people are not interesting. They are dull and keep to themselves. A man feels isolated in such a place and lost. The language barrier and the ethnic "crossword-puzzle-like"

structure of the Israeli working population often make for isolation. I remember the pathetic cry of a cotton girl from Rumania in a spinning mill in Herzlia: "You are the first person who has talked to me in this mill. To all intents and purposes I might be deaf and dumb." She was a widow supporting a daughter, living in a *ma'abara*. She spoke only a few words of Hebrew and a broken German. In this mill there were men working close by, one from Iraq, another from Morocco, still others from Persia, Hungary, Rumania, etc. Mutual unintelligibility makes for the feeling of isolation, adds to the sense of inadequacy. It certainly detracts from the interest in the job which is always enhanced by interest in the people around. Nowhere else is there such a large field for "sociometric" studies and for greater care and consideration in placing workers who would be more compatible to each other, more friendly and understanding.

Secondly, there is monotony of the worker within himself. Just as a workplace can be monotonous, also the worker himself can be monotonous. Monotony can be in him. As King Midas of the Greek legend turned everything he touched into gold, so everything a monotonous person touches turns into one drab, colorless and boring mass. After all, monotony is mental fatigue, and if a person is already mentally fatigued, he is more prone to fall victim to monotony. Also, in this respect, there are many special factors operating in the field making for monotony. The Jewish population, recruited to a large extent from the victims of persecution, both in Europe and elsewhere, is mentally fatigued. The hard climate, the diet, the fatiguing conditions of transport, the constant political tension, the language barriers, the ethnic melting pot and cultural differences, the necessity of learning a new and

difficult language, and, last but not least, large families—all make for mental fatigue. The working hours, considering the climate conditions, are relatively long (47 hours per week), are made longer by transport difficulties, and often still longer by a sideline job in the afternoon, or by helping at home with the care of the children. There is a commonplace saying that life in Israel is hard and needs tough men. While this is true of every immigration country, in Israel life is made even harder by the general tendency to work for self-improvement *(hitqadmut)* by studying and reading in the evening.

Finally, we have the textbook case of monotony, i.e. the monotony of work, the boredom derived from a mechanized simple operation. However, this kind of monotony is also a complex phenomenon made up of many elements, like lack of interest, contempt for the job, dislike of the job, etc.

The first element, lack of interest, lost its force recently with the introduction of an incentive scheme. For the Jewish worker recruited to industry from other walks of life the work on the machine is not very satisfying in itself, but whenever he can make money on the job a certain "gambling interest" is infused into the situation. He can speculate with the job, he can better himself and prove his worth.

The second factor, contempt for the job, plays a much bigger part in the sense of monotony of the Israeli workers. Most of them feel that they could do a better job requiring more brains, more attention, more intelligence. "The job could be done by a youngster, or a child, it does not require any intelligence"—such pronouncements express an attitude of contempt for the job. I often heard workers state that they feel they have become dull and

uninteresting themselves, having to do dull and uninteresting jobs all day long. The only way of escape is their reading in the evening. The feeling can be somewhat mitigated by a good workers' suggestion scheme, and by formal, and even more so, informal consultation systems, and many good schemes are in operation in Israel industry.

The feeling of contempt for a simple job is also relieved by general appreciation of the value of manual work for the country. The myth of the redeeming quality of manual work, although already weakened to a large extent, still lingers on. If you ask a worker performing the most menial kind of job, whether his work is important for the country as a whole, he will answer, "certainly, as is all work of a *poel.*"

Every single factor which makes for dislike of a job for any reason contributes to mental fatigue or monotony, and there are still many factors which make a newcomer dislike the job to which he is not used. On the other hand, there are many men who take delight and interest in new lines of activity, especially in working with their hands.

The problem of monotony is so complex and so many-sided that one can hardly explore it with the help of questionnaires, or even with a battery of questions devised specially for the purpose. The problem in Israel is very real and potentially of great importance, and most of the foremen and personnel managers referred to it in our talks. But the problem itself is unexplored.

Both management and the Workers' Committees conduct a full battle against monotony, using many methods to arouse directly and indirectly the interest of the worker. Trips and visits to places of interest and other factories, discussions and lectures, courses in Hebrew, training

courses, the fostering of the sense of good comradeship, incentive and suggestion schemes, informal and formal consultation, all contribute to the fight against monotony. Still the fight is not yet won.

11. The Complaint About Favoritism

The complaint about favoritism is so commonly heard, it is so universal, coming from all quarters, from all groups without ethnic distinction, that, even discounting a large part of it as obvious exaggeration, we have to treat it as a genuine phenomenon which needs explanation and evaluation. What phenomena lie behind the general complaint? We are, of course, not concerned here with the distribution of licenses, subsidies, credits or tax-exemptions, but solely with phenomena in the sector under consideration, i.e. the workers' life.

The complaints in this sector primarily concern getting or keeping a job worth having, or getting promoted, or getting elected to a position of influence and power, or getting some welfare benefit.

It is interesting to note that complaints about favoritism and nepotism are often heard also in other non-industrial countries in the process of industrialization, such as India or pre-Communist China, or in many other economically underdeveloped countries, especially where family affiliation and caste or tribal distinctions play a great role.[1] In the same way the phenomenon of favoritism is also

[1] Cf. Wilbert E. Moore, *Industrialization and Labor*. Cornell Univ. Press, 1951.

in Israel linked with the process of industrialization introduced into a non-industrial area. But the process is strengthened by additional specific factors of Israeli life.

The Jewish population in Israel has a very high sense of justice and equality, with equality always interpreted in a mechanistic sense. The individualistic character of the Jew makes him frequently see his own interests and rights only. The scarcity of jobs may make it necessary to choose one man and to turn down others. In such a case the others will say: "We have the same 'rights' as this fellow, why has he been chosen?"

Now let us consider the specific factors which contribute greatly to the general feeling of nepotism and discrimination.

First, family ties. These are very strong among Jewish people everywhere, but perhaps more so in Israel. In new and strange surroundings those related by bonds of blood find themselves in still greater need of help and will feel closer to one another. The same is true of old ties of friendship or comradeship. The ties are stronger in a country of immigration than in a settled country. People who are reunited cling together against the background of strangers. Many posts are filled through friends and colleagues, even those posts which should be filled through the Labor Exchange.

Then come ethnic ties based on country of origin, culture and language. A Polish born Jew feels closer to a Polish Jew, and a Persian born Jew to a Persian. They understand one another better, not only by virtue of language, but also of customs, habits and ways of life. Thus it is not surprising that we find clusters of people of the same origin in most workplaces, especially in positions of influence. Clerical, technical or managerial posts in one

office are often recruited, if possible, from the same ethnic group.

The other source of discrimination is membership in the Histadrut or in other labor organizations. The organized worker has, of course, priority over the unorganized, and a man who regularly paid dues and is in good standing in the Histadrut comes before a member whose payments are erratic.

Then comes priority according to seniority. There are three kinds of seniority, seniority in an establishment, seniority in the Histadrut, and seniority in the land itself, both in the *tor avoda* (getting the job) and *tor piturim* (discharges). The permanent jobs are mostly reserved for those with seniority.

Often those competing with veterans from the armed forces, or with members of Kibbutzim, will be outdistanced on a point-system either in getting a job or in being discharged.

But that is not the whole story. In addition to everything else, political divisions and cleavages play a big part. The Israeli Jew is a political being with a very strongly developed political sense. There are many parties built on all sorts of principles. The parties are small, and party members of a local branch feel like friends and comrades sharing the same ideals and ideas. Their first duty is to support one another, and to help in gaining positions of power and influence, as any such position is a gain for the party, a new vantage point. The positions and offices, they think, are not for personal benefit only but are primarily meant to serve as means to swell the ranks of the faithful. Party propaganda is carried on to a large extent by "deeds," and these deeds mean job security for those who

are in the party or who are willing to join the party and work for it.

The idea of reserving jobs for members of the party has its source not in favoritism or nepotism but apparently in a genuine belief that the interests of the country are identical with the interests of party, and the interests of the party require that the party has something worthwhile to offer in positions and jobs as an incentive to joining. So party affiliation is definitely a factor for discrimination in many kinds of jobs, especially in the publicly owned sector of industry and other public institutions.

We must not forget the religious cleavage either, the cleavage between the orthodox *(datiyim)* and the freethinkers *(bilti-datiyim),* which is also sometimes clothed in political terms, but often appears on its own count. The orthodox cluster around their synagogue, and a synagogue for them is also a social and a civic center of the first order, with collections and benefactions. Those who belong to one synagogue would feel the duty to support one another.

Life in Israel is, in fact, highly organized. Actually, one might say, over-organized to a very large extent. Everybody is organized: doctors, architects, artists, sculptors, etc. Whoever keeps apart does so at his own risk. An unorganized man has no chance to prevail in Israel.

It is strange that one of the most individualistic of peoples has developed such a strong network of all sorts of organizations. There is no group, even the smallest, which has not discovered the need and the strong urge, as well as the extreme usefulness, of a strong and disciplined organization. Organizations are found based on all kinds of principles, ethnic, political, religious, professional, cultural and local. Not only a workplace is organized in a strong group, but a house, a neighborhood, a synagogue,

or a school. The population has discovered that individual interests can easily be converted in this way into public interest. Individual A, individual B and individual C may each have individual interests, but the interests of A+B+C when organized are promoted to the rank of social interests, in fact, are converted into a public interest with an ideology behind it.

This, I suppose, is the background for the widely circulated complaint about favoritism and nepotism. They are institutional rather than moral although occasionally moral issues may also be involved.

In addition we must mention one more factor, of a purely psychological nature. The belief in favoritism is a protective device in cases of frustration and failure, and obviously there is a great deal of this in Israel. This phenomenon is actually not new to the Jew. From my own personal experiences in Poland I remember how many of my friends who could not achieve what they regarded as their rightful place, attributed everything to anti-Semitism. True, anti-Semitism in Poland was real enough, but the cover of anti-Semitism was used also in cases where the rejection of a man's claim could have been justified on its own ground. An inferior scholar who could not get a position at the University had thus an easy explanation which soothed and relieved him.

Many individuals in Israel have to accept what they regard as a low station, at the very bottom of society. Most Jews in other countries were placed somewhere in the middle of the social ladder; this was true in Iraq or Morocco as well as in Europe. But in Israel someone has to occupy the low rungs of the social ladder. Someone has to be on the bottom.

The easiest excuse and rationalization of failure which, after all, has its institutional justification—is *protektzia*. "Do you know why I failed," a man would tell his family and friends, "it is because of *protektzia*." And he can sleep much better believing this to be true.

12. Hobbies and Sports

The concept of hobbies, which plays such a big part in the outlook of life of British workers, is unknown to the Israeli worker. You have to do a great deal of explaining before you can make the Israeli worker realize what you mean by a hobby. And then they regard your whole question as silly, unimportant and unworthy of serious conversation. The British worker brightens up when you take up the question of hobbies, you touch something personal and significant in his life about which he likes to talk. The same subject would spoil a conversation with an Israeli worker. "Silly, isn't it, to ask about such trifles?" he would think.

The concept of hobbies is important for a leisured society like Britain, but not in Israel where life is proverbially hard and the worker's hands are full.

But let us see how an Israeli worker spends his day. He gets up quite early, between 5-6 A.M. If he is religious, still earlier, to go to synagogue or to perform his prayers at home. He leaves home eating very little—it is too early for a substantial meal—having only a cup of tea or coffee. A report of the Ministry of Labor based on a survey of 1,000 workers in 12 different enterprises shows that only 44 per cent had sufficient breakfasts before going to work,

while 56 per cent had only a cup of coffee or tea or had nothing at all.

Work starts between 6 and 9 A.M., in most places at 7 A.M. He works eight hours, with a half an hour, three quarters of an hour, or a full hour break. Most places have half an hour or three quarters of an hour midday break. This means that if he starts at 7 A.M. he finishes at 4 or 4:15 P.M. and he arrives home at about 5 P.M. Many are quite willing, even keen, to work overtime, so in that case they come home even later. In my questionnaire, answered by 54 men, the travelling time to and from work amounted to ½ hour for 28 men, one hour for eight men, 1½ hours for seven men, two hours or more for six men, while five gave no answer.

Once home, they wash, change and eat dinner. Working clothes are discarded at once. His boots and clothes are instantly changed to something neat, clean and respectable. After he comes home, the Israeli worker looks exactly like anyone from the middle class. The main dinner is served then. While at work he eats very little, bringing along his sandwiches (mainly with cheese and vegetables), prepared by his wife. Other kinds of food spoil quickly in the hot climate. In the café he may take a drink, soda or fruit juice with a sweet or a cake. After dinner, or even before dinner, if he is too tired to eat anything substantial, he takes a nap to refresh his fading strength. He has had a long and tiring day, with lining up for buses, travelling, working, dealing with his mates and the foreman.

He is now ready for the evening.

There are innumerable things to do in the house.

Constant repairs in the run down or badly built houses, decorating, helping with the care of the children, helping with the shopping, dealing with neighbors, with the authorities, completing forms and questionnaires—these are the things that fill the evening hours.

Since the Israeli worker is rarely content with one job he is constantly on the lookout for sideline jobs. His requirements are high, and he invariably says that the wage is not sufficient to maintain his family and to give his children the education due to them.

If he has no side job, or his wife cannot go out to work while he cares for the children in the evening, he will choose a hobby which is useful, like gardening, running a small chicken house, fishing if he lives near the sea, making furniture or fixing things in the house.

If he is younger, he will try to improve himself by taking a training course, studying a textbook in his line, or preparing himself to enter a secondary school. The main keynote to his pastimes is either to make something or to improve himself. If he is a new immigrant, he learns Hebrew—a lifetime job in itself. He has to learn it if he wants to take part in Israel's cultural, social and political life, as he usually does.

Then come the innumerable meetings. He has union meetings in his workplace and in the local union, and he must turn up there from time to time. The Workers' Committee organizes something all the time, such as visits and trips, lectures, discussion groups, competitions and he has to take part in them. (It is estimated that about 50,000 people yearly take part in courses, seminars and lectures arranged by the Histadrut, and 30,000 in its trips and tours around the country.) Apart from this, he belongs to a club, an organization, a party, and interesting lectures are given all the time.

So he is a very busy man. Has he time for sports? Sports are reserved only for the very young, mostly for those who

have not yet started their working life, or for those who work in offices or retail stores. The manual worker is too tired to engage in sports in the Israeli climate, and when he has energy to spare he goes in for gardening. Soccer is popular only with the very young; baseball and rugby, cricket and golf are practically unknown; very little tennis is played, at least not by workers. Small group sports are played, like volleyball, basketball or table tennis.

However, the interest in sports, especially of the passive kind, is rising. The Ramat Gan stadium, if an international soccer match is played, can attract more than 16,000 spectators. All the big cities have huge sports stadiums, and the press devotes ever increasing space to sports events.

Still, there is no passion or craze for sports comparable to England or America. In speaking with British workers you constantly hear sporting expressions, like "playing the game" or "is it cricket," etc., while you hardly hear any Hebrew or Yiddish expressions taken from the sports world. In conversation with British workers sports events are discussed as the most important events in national life, while Israeli workers rarely discuss sports events. Instead they discuss politics and international events, the U.N., the Security Council, or what President Eisenhower thinks or does, or cultural events, and, of course, the cinema.

Gambling? The Israeli worker may buy a lottery ticket in the national lottery, for IL.1 or so, and that finishes his interest in gambling. Racing does not exist in Israel in any form. Instead, he may play cards or dominoes. Even during the midday break one can see some men playing cards or dominoes for small stakes.

Drinking? There are no taverns or bars here, and there

is very little addiction to alcohol in any form. A small glass of light Israeli wine or beer may be drunk, but even that is not very popular as it only makes one more thirsty. Soda or fruit drinks, on the other hand, are consumed in vast quantities. The phenomenon of the Jewish drunkard, practically unknown in the *Golah,* appears now and again in Israel, and the police start complaining that the cases tend to multiply. In 1954, 35 men were arrested on charge of drunkenness. But up to now drunkenness is very rare.

The most popular pastime are the movies. Here there is veritable addiction, and I met men who go 3 or 4 times a week to the cinema, not missing any program. Israel has the highest figures for movie attendance among all the countries in the world. It is extremely popular with all sections of the population, but the Middle Eastern population, especially the younger people, take to it with great avidity. Among them it is regarded as a cultural and educational form of entertainment which livens and brightens the mind, and gives a smattering of world events and world literature. However, in considering the Israeli figures for cinema attendance, we have to take into account that there is no television in Israel, and that, generally speaking, the range of other entertainment is rather small.

The other great pastime is reading. The Israeli worker is an avid reader of all types of literature, detective and love stories (love stories are more popular than detective stories), international novels, the new Israeli literature, and all sorts of textbooks.[1]

[1] Israel's share in the sale of American books under the Information Media Guarantee Program, from the time the Program was launched in 1952 up to 1956, amounted to 40 per cent of the volume transacted in all countries that subscribed, showing the enormous avidity for books in Israel.

Visiting is also a favorite recreation, and people drop in in one another's homes without previous appointment.

In big towns sitting and chatting and discussing things in the cafés is very widespread. Tel Aviv is most famous for its cafés, Haifa less so, and Jerusalem still less. However, there are also artistic endeavors in which the Israeli worker tries to express himself. Painting, sculpture, music, and all sorts of applied arts, artistic metal work, community singing, acting, amateur theaters—all have many adherents. It is estimated that about 15,000 people take part in choirs and orchestras, community singing and amateur theaters organized by the Histadrut alone.

By and large it can be said that the Israeli worker is a very busy man. He has little energy to spare anyway, and what he has is expended on serious matters, such as improving the lot of his family, improving himself, learning the ways and the language of Israeli society—apart from being occasionally, and, in fact, not at all infrequently, called up to serve his town in the armed Forces.

Now what about weekends. He has a 32 hour weekend including the sacred Sabbath. When you ask what he does on the Sabbath, he brightens up with a smile and his whole being comes to life. On the Sabbath he lives. His whole week is one long preparation for the Sabbath, in nearly all respects. He would half starve to have *hala* and fish and chicken for the Sabbath. The best dress is taken out. He feels like a king, his wife is the queen, and his children little princes. He sits at leisure, sings and reads the Bible or something else. He eats, prays or reads and sleeps a lot. The only other thing he could do is to go to lectures and meetings to improve his mind. Even the non-religious Jew observes the Sabbath by detaching

himself completely from the things he does during the week.

There are thus two entirely different patterns of life, one for the week and one for the weekend. The weekend rest has a completely puritanical character, like in rural Scotland. Cinemas, theaters, cafés are closed, and most of the buses are at a standstill. A man can enjoy himself only by taking a stroll in his beautiful country, visiting friends, or reading and meditating. He does not meditate much nowadays, but he does read a great deal.

Part Two

TYPES OF WORKERS

1. The Building Worker

The building worker is a familiar type in Israel. He works very hard, and in the strictest sense "earns his bread by the sweat of his brow." When you ask him about his attitude to work, he will recite to you just this passage in the Bible which sounds more like a curse than a blessing.

The total Jewish manpower in building and public works in 1955 amounted to about 46,000, of whom about 38,000 were wage and salary earners, and about 8,000 employers, self-employed or members of co-operatives or Kibbutzim. The manual labor force with which we are concerned here is estimated to be about 35,000 strong with about 30,000 organized in the Histadrut.

The labor force consists of about 60 per cent of unskilled and 40 per cent of skilled workers. The unskilled workers are mostly of Middle Eastern origin, although a high percentage of the skilled workers are also recruited from among them. On the other hand, the supervisory

staff is largely Western. The nativeborn, the *sabras,* form an insignificant part of the building workers; they settled earlier in better jobs.

The large majority, apart from a few painters, plasterers and tile-layers, were trained in Israel and had had no experience with similar work in their home countries. Most of the unskilled workers had been independent tradesmen in crafts and commerce in their homeland, and they had never expected to work like this. Still, most of them do well, and many are praised for their high working morale, most of all the Kurdish and Yemenite Jews. They will often tell you that they "are building the Land," and they feel proud of it. The Kurdish and Yemenite workers are used to heavy labor in agriculture, and their attitude to work is exemplary. The Moroccan Jew is also praised as a good worker but he needs special handling with much greater regard for his sensitivity.

Each ethnic group shows a preference for a particular job. The Yemenites are asphalt workers and tile-layers, the Moroccans painters, the Persians plasterers, the Iraqi and Kurdish Jews road workers, excavators and foundation drillers.

The differences in productivity between one man and another are very large, due to the wide range of experience, training, intelligence, natural speed, and character. The differences can be as much as 50%. Those who lag behind often suffer from unemployment. The sanction against the less productive worker is dismissal. The building worker is a typical casual worker. He is hired for a day and can be dismissed at the end of his day's work, without any explanation. Many building workers suffer from the constant threat of unemployment and cannot develop a regular way of life based on a normal family

budget. I met a number of building workers whose routine was to work for a month or two, then to be thrown back into the Labor Exchange, and to have to wait for another month or two before getting another job.

About 10 to 15 per cent of the regular labor force is constantly in the Labor Exchange. By and large it is estimated that of a potential 300 working days the average building worker is employed only 180 days a year. Most frequently affected by unemployment are the unskilled and less skilled workers of the last four grades, who together form about 80 per cent of the whole labor force, while grade AA, A, and B workers have greater stability. Only a very small minority of the men employed by private builders, between 5 and 10 per cent, mostly top-grade men, and mostly in the employ of big public firms, are on a permanent contract, and even those, generally speaking, can be dismissed on two weeks' notice. These men have a greater stability of employment and show loyalty to their employers.

The institution of a guaranteed week (minimum of 32 hours a week guaranteed to every worker) practised for instance, in Britain, is unknown in Israel.

The labor force is relatively young, recruited mostly from the 30-45 age group. Younger workers have other opportunities, and do not care very much for jobs in building. If a young single man finds himself in building, he often plays at the job, works for a month, and then takes an unofficial holiday for a fortnight. Men above fifty are also rarely to be found, although on the roads one can see occasionally very old men who have to accept heavy jobs because they cannot find anything else.

The level of intelligence of the unskilled laborers is generally speaking low, by Western standards. About so-

cialism or communism most of them have never heard, but they know what the Histadrut stands for. Most of them live in temporary housing or in slums, in one room with very large families. They eat reasonably well when they work but their productivity standards suffer from long spells of unemployment. "It takes some time," I was told, "to get back the skill which you had before the spell of unemployment."

They not only suffer from unemployment but also from irregular payment. The three largest employers, *Solel Boneh, Rassco* and *Hevra Merkazit,* and other public institutions employ about 45 per cent of all building workers, private builders the rest. Those employed by private employers often do not receive regular payments, and sometimes accept smaller sums for clearing long outstanding wage arrears. It is estimated that about 10 per cent of all building workers suffer from irregularity of payment. The official rates are not always maintained. In fact, there is a regular black market on which relatively free rates are paid. Usually highly skilled men get rates above the official one, often without having to pay income tax, while unskilled men get lower rates.

Several cases were reported to me by workers employed by private builders who, while being paid below the official rates, had to sign receipts for a full official rate. As one worker told me: "The employer said to me, the official rate is IL. 7.590, but I can pay you only IL. 5. When you are asked you will say that you receive the full rate. On your card we will show your official rate." The worker did not agree and accordingly was dismissed. He complained to a Histadrut official who intervened but the employer said simply that he had dismissed him because there was no work available. So he lost his job. Next time,

he said, when confronted with a similar case, he would accept the employer's offer.

It is estimated that about 25 per cent of all unskilled men employed by private employers accept lower rates although they are members of the Histadrut.

In nearly every big town there is a regular market where unorganized workers offer their services as independent contractors on the basis of a price for a job. They are not contractors but independent workers. Many of them, when interviewed, stated that they had left the Histadrut because it could not provide them with jobs, and they had to live somehow.

The daily wage rate is fixed from the country as a whole, and is officially graded (apart from the supervisory staff) in 7 grades which are actually 6 grades as grades 4 and 5 at present have the same rate. This consists of a basic wage plus a cost of living allowance. In December 1955 the latter was a little bigger than the former. The top man received IL. 4.380 basic wage plus a cost of living allowance, the bottom man IL. 3.230 plus IL. 4.360.

The maximum premium for skill, i.e. the difference in rates between top and bottom at the end of 1955, was 17 per cent and it was formerly as high as 40 per cent. In September 1946 it was 32.5 per cent. It fell mainly because of the operation of the cost of living allowance. Complaints are often heard that the grading of workers by the Union *(Histadrut Poalei Binyan)* is completely arbitrary, with a tendency to accord higher grades than the applicants usually merit.

A small percentage of men, about one-fourth of the total labor force, chiefly in the production of building materials, and in the finishing stages of building, like plastering, painting, and tile-laying, are on piecework. The

rates are such that men can earn about 10-20 per cent more. The piecework system is popular neither with the employer nor with the worker. It is a group system, in most cases for 5 to 15 men, and payment is made for the whole group as arranged with the consent of the Union. The piece rates are reached in bargaining either with the Union or with the leader of the group. Individual piecework is rare.

The premium system, i.e. standard wages guaranteed plus incentive payment, is practically unknown in construction work.

Productivity standards are regarded as low, and, according to the majority of contractors or foremen, are lower than before the War of Independence. Mechanical devices which have been introduced in great numbers somewhat obscure the fact, but whenever a man works with the same implements and tools as he did, let us say, 7 or 8 years ago, he is likely to produce less. It is also obscured by the fact that the quality of building work has declined. This is explained primarily by the fact that the building industry is a sort of a way station to other industries. New men enter the trade all the time and soon afterwards leave. There is an enormous waste in skill and training. Training of new workmen is undertaken all the time, but the benefit of this training is short lived. Most men, especially the unskilled or semi-skilled, from the very first day of entering the trade, start looking around and trying to escape from it. Both the casual character of the trade and its strenuousness, under the conditions of the Israeli climate, are the main reasons for this.

The training given to the new worker is not regarded as sufficient or satisfactory. One private contractor who knows building conditions in Europe well, estimates the

average degree of training enjoyed by the Israeli worker, as compared with the European standards, as follows:

For the skilled worker—60 per cent
" " unskilled worker—40 "

The new immigrants often enter construction work without any training. As one independent worker-contractor put it: "People learn by spoiling other people's work, and after they have spoiled a number of buildings they think they know something and leave, wanting to be independent. In this way I myself became a contractor."

The same man when asked whether he would like to leave his profession, answered: "No, I like my work. But I wouldn't like my sons to become building workers, oh, no. I work in order that they should go on to better jobs."

For how many years can a building worker continue to full capacity in his trade?

Many foremen and contractors contended that it can be no longer than 10-15 years in Israeli conditions; others 15-20 years, some—and these were exceptions—that it could be even more than twenty, provided they took good care of themselves, lead reasonable lives, took yearly vacations, fed themselves properly, and were of a strong constitution.

The building industry once engaged the finest workmen in the country, the pioneering youth. It was regarded as the aristocratic trade, providing the admission card to all the leading positions in the Workers' Movement. Most leaders in the movement were once building laborers. Also the Kibbutz movement at one time had a number of its members engaged in building, apart from some Kibbutzim specializing in construction.

2. The Industrial Worker

A job in industry is highly appreciated by the Israeli worker. In most cases the job is in crafts or in light industry. Heavy industry forms a small part of the total employment. The work is at a bench, out of the sun, and the worker is often off his feet and on a stool. The job is relatively well paid and gets the highest social benefits. In most cases it is permanent, and the worker enjoys a high degree of job security. Speaking to men at the Labor Exchange one often hears: "To get into a factory you need *protektzia.*" It is regarded as a privilege, especially a job in a light and clean industry which is the closest thing possible to a clerical job.

Speaking of industrial workers we must try to distinguish between crafts and industry (manufacturing). Of course, there is no clear cut distinction between the two. Establishments using little mechanical equipment and employing up to ten men are usually regarded as crafts, the rest as industry. Each sector is organized, crafts in the Association of Craftsmen and Small Industry which claims a membership of 50 to 60 per cent of the establishments, while industry is organized in the Manufacturers' Association which claims 70 to 80 per cent of the employers in Israel's industry. The ratio of manpower engaged in crafts and industry respectively in 1952 [1] was about 43 per cent for crafts (in 18,400 establishments), and 57 per cent for industry (in 1,800 establishments).

Both the social situation and working conditions are

[1] Full figures for Israeli crafts and industry are available only for 1952 in the Census of Industry carried out by the Central Office of Statistics.

entirely different in the two sectors. In crafts there are more proprietors than workers. In 1952 there were 23,100 proprietors and 17,800 workers. In industry at the same time there were only 2,000 proprietors and 1,900 managers, as against 44,500 workers and 7,000 clerks and technicians. That is to say, in industry there were 22 workers per proprietor or eleven workers per manager-proprietor.

In crafts the main figure is the craftsman himself. The Jewish craftsman is famous all over the world. He works well, taking great interest in his work; he tries hard to please his customers. The Jewish craftsman in Israel shows the same qualities but has many more handicaps. Speaking to artisans and craftsmen one can hear a long list of complaints, primarily about the lack of raw materials, or of materials of a good or uniform quality; lack of proper tools; lack of credit (the craftsman is the main victim of usury); excessive taxation both by the municipalities and the State. As taxation is based mostly on external indications, among which the number of men employed by a craftsman plays a big part, he tries, as far as possible, to reduce their number. More than one craftsman said to me: "I could and should really employ another man, but I am primarily afraid of taxes, and then of the troubles linked with all the Histadrut restrictions." Consequently, most of the craftsmen work with their family's help or with a youngster or an elderly man who cannot get employment anywhere else. A great number of employees in crafts are unorganized; they are often immigrants from the backward countries. The workers rarely have the protection of a collective agreement, and rarely get the full social benefits which are stipulated for their respective branches.

In industry the situation of the worker is different, but a distinction must be made between smaller and larger establishments. True, there is no large scale industry in Israel. In manufacturing there are only two enterprises employing more than a 1,000 men each: the textile firm "Ata," and the government owned chemical firm "Fertilizers and Chemicals." If electric power stations are included as industry, there would be four firms of this size, as there are two power stations, one in Tel Aviv and the other in Haifa, each employing more than a thousand.

The next largest industrial establishments employ between 300 and 1,000 men. In 1952 these numbered only 17; in 1955 possibly 19, and half of these were in Government and Histadrut hands.

Establishments with 100 to 300 employees comprised in 1952 65 units; in 1955 possibly a few more, 70 to 75.

And finally, establishments with 50 to 99 employees included in 1952 105 units; in 1955 possibly a few more.

About half the total number of workers employed in industry work in these four main groups. Only one third are in establishments employing 100 or more workers and only one fifth in establishments employing more than 300 each.

Thus the typical establishment in Israel is small or medium in scale. This could not be otherwise under the conditions of the country. The small firm is a genuine and spontaneous creation, often established without any help from the Government or other public bodies, while the larger factory is often based on subsidies and grants-in-aid.

The type of the worker, his situation and conditions, vary greatly with the size of the establishment. The larger the establishment the better his position, the stronger his

organization, the greater his self-reliance, the more pronounced his class consciousness. In larger establishments the worker faces professional management, in smaller establishments an owner, or group of owners. In larger establishments his relationships with the management are institutionalized, while in smaller establishments they remain strictly personal.

In a larger establishment, starting with establishments with 100 employees, the Workers' Committee assumes the lead in molding the type of worker. In a medium sized firm the employer may command most of the worker's loyalty. The worker may still think that when he comes to grips with the employer, the Workers' Committee may not be able to help effectively. But in a large plant the Workers' Committee often has the strongest hold on the worker's loyalty, and dominates his work and life more effectively than management itself.

In dealing with workers, control goes mainly through the Workers' Committee. Therefore the composition of the Workers' Committee, its political and social outlook, its past history and achievements play an important part in building up the type of worker, his morale and discipline, his behavior, his co-operativeness. In coming to different factories situated near one another I have often seen marked differences in atmosphere and morale.

Another distinction important for Israeli labor relations is the type of ownership and employer. It is always important to know this as the worker-employer relationship is based on mutual interaction. The worker responds in one way to an individual owner, in another to a co-operative, a Kibbutz, the Histadrut or the State.

Under Israel's conditions it is extremely difficult to class the type of ownership consistently, because the legal

classifications used in statistics are misleading and Israeli industry is characterized by all sorts of partnerships, open and disguised, between the State or the Histadrut and private capital or co-operatives, etc. An establishment owned half by the Histadrut and half by a private firm, or half by the Government and half by a private firm, or by the Histadrut alone as is the case with many large establishments, can be easily classed in one of several categories.

However, for our purpose it is enough to distinguish between two main sectors: the private sector and the public sector. After all the response of workers to the ownership of the establishment is based mainly on this distinction.

According to the Manpower Survey of November 1955, of the total of 83,000 Jewish employees in crafts and industry about 72,000 were employed in private industry, the rest in the public sector. This indicates the overwhelming preponderance of private crafts and industry as employers. However, this preponderance is much smaller in industry alone, without the crafts, and it would be even smaller if co-operative industry (with about 4,000 men) and Kibbutz industry (with about 4,200 men) were excluded.

If we include the members of Kibbutz and co-operative industry, and exclude crafts, the public sector in industry would be in the neighborhood of one quarter to one third of the total. In this public sector the largest body is that of the Histadrut (more than 5,000 employees); then comes Kibbutz industry and co-operative industry, each more or less of the same size; then the exclusively Government owned industry, mostly munition factories (about 3,000

employees); and finally the municipal industry with only several hundred employees.

In each of the categories the type of worker shows different characteristics. State industry breeds a Civil Service type with exaggerated claims in regard to job security and social benefits. Histadrut owned industry has a model type of Trade Unionist with rights and privileges of his own. The co-operative industry breeds a type of worker who works "under many bosses" with a certain sense of inferiority. In Kibbutz industry the cultural and educational chasm existing between the Kibbutznik and the worker is the dominating factor in the social situation. These problems will be discussed in greater detail in another context.

Our last distinction concerns the age and the history of the establishment. Israeli industry is hardly more than two decades old. Its short history can be divided into four periods: 1. the period before 1932; 2. the period of the German immigration; 3. the period of World War II; and 4. the period following the establishment of the State.

Only 545 establishments employing 2,200 persons were founded before 1920, and 1,080 establishments with 11,500 men in the period of 1921 to 1932. So up to 1932 no more than 14,000 people were engaged in crafts and industry representing about 12 per cent of the present manpower.

The greatest acceleration in industrial development came with the immigration of the German Jews who brought to the country their capital, technical skill and organizational ability. From 1933 to 1939, 2,700 establishments employing 22,500 men were added. That is, the number of persons engaged increased by two and a half.

A second great drive occurred during World War II when Palestine became the industrial base for Middle East Defense. War production was based on a "cost-plus" system, and no one bothered about efficiency; the problem was to deliver the goods and costs were a secondary consideration. During 1940/47, 3,000 new establishments with 17,600 persons were added.

But the biggest development, one might say a volcanic eruption, came after the liberation of the country and the establishment of the State, especially in the period from 1949 to 1952. By 1952 the number of establishments reached 20,000 with 101,000 persons employed.

Since 1952 the rate of industrial development has dropped, but the industrial potential rises all the time. The Manpower Survey for 1955 records 120,500 of the total Jewish manpower employed in industry and crafts.

From this short review we see that the majority of the establishments in crafts and industry started only during the past ten years. And the age of the establishment is extremely important in shaping the type of worker.

The best integrated type of worker with a certain stability of custom and habit, outlook and ideology, the almost model type of Israeli worker, is found only in those establishments which were founded more than 20 years ago. The body of workers is strongly integrated, the machinery of co-operation with management is fixed and rigid. The worker is class-conscious, with a high standard of education, morality and integrity, even somewhat dogmatic in his beliefs. He was recruited from the old class of pioneers, and although his enthusiasm has already left him to a great extent, he still retains some of the spirit of the pioneering period. Only few of this type are left in industry, but they hold key positions.

The second type of worker is made up of those who joined industry in the 1930's and 1940's, and therefore is found more often in establishments which were founded at that time. They are mostly of European origin like the first group, mainly skilled men, one hundred per cent organized, with a good Histadrut training but less dogmatic, more matter of fact, more inclined to compromise, less public spirited. They do not have the same strength and firmness as the first group, and they know little about the pioneering spirit.

The third group are those workers who joined after the establishment of the State. They are found mostly in newer factories. They are mostly Middle Easterners, unskilled or semi-skilled, with no knowledge of trade unionism and to a certain extent unorganized or even with a tendency to escape organization if they can. In mentality and outlook, work habits and customs, this type is not yet established and fixed. These workers are in process of change, they try to learn and understand. They are a raw material into which can be stamped either good or bad habits of work.

3. The Agricultural Wage Earner

Agriculture is extremely productive in the new forms of settlements and institutions which have become famous all over the world. Apart from individual farms and plantations there are collective settlements and co-operative settlements of several types, various degrees of collective or co-operative systems, immigrant settlements and labor

settlements of various kinds, large farming companies and contracting firms undertaking farming work for landowners, especially citrus growers, and finally auxiliary farms and cottage gardens.

The term "agricultural worker" could include all types of men, the Kibbutznik, the Moshavnik, the individual farmer cultivating his plot etc., but here we are concerned exclusively with the agricultural wage earner. He is actually moving more and more to the fore in Israeli agriculture. During the pioneering days the social structure of Jewish agriculture was dominated almost exclusively by the Kibbutz. Now the Kibbutz movement is undergoing a decline in level of collectivity, while the co-operative movement (the Moshavim) with a lower measure of co-operation shows rapid growth. In recent years we have also witnessed the rise of large agricultural companies and contractors.

All this has resulted in the rapid growth of the army of agricultural wage earners, which in 1955 probably amounted to about 40 to 50 per cent of the total manpower engaged in agriculture, although it represented a smaller percentage in terms of actual workdays per year (about one third). The Kibbutzim and Moshavim at present employ a growing body of hired labor due to manpower shortages, although this is against the fundamental principle of the Kibbutz, the principle of personal labor only.

The agricultural wage earner presents the strongest possible contrast to the Kibbutznik. The Kibbutznik is self-reliant, class-conscious, devoted to his work, strongly rooted in the soil of his country, and has a very high standard of living. The same cannot be said of the agricultural wage earner. The Kibbutznik is in most cases of

Western extraction, the wage earner mostly of Middle Eastern origin. The Kibbutznik was a pioneer, while the wage earner in most cases has no real alternative to his present work. The social status of the Kibbutznik is very high, while the agricultural wage earner's status is rather low.

The wage earner is plagued by constant threats of unemployment, as most work in agriculture is seasonal or temporary. He often has to move from place to place, in September or October for harvesting cotton; in October and November for harvesting peanuts; for the citrus crop in January to March; in June and July for work on sugar beets or work on vegetables, etc. Only a small percentage is in a nucleus of fully employed men, and there is a whole gradation of status in regard to employment guarantee, about which more below.

His wage rate is one of the lowest in the country. For unskilled work—and most agricultural wage earners are unskilled—his pay amounted (including the cost of living allowance) to IL 5½ (in the fall of 1955), while in building unskilled men in the bottom grades receive IL 7½. But even these official rates are frequently not maintained as men are often taken on without going through the Labor Exchange.

His rate of union organization is among the lowest in the country, and the character of his union is different from that of the unions in other branches of the economy. The degree of union-autonomy is rather low, as the union officers are elected by the Agricultural Center in which are represented all those working in agriculture, primarily the Kibbutzim and Moshavim. (See chapter on Trade Unions).

There are no collective agreements covering all aspects

of agricultural work as in other branches of the economy, and the social benefits are also among the lowest in the country (about 14 per cent of the wages)—although the social benefits themselves are a tribute to the ingenuity of the Histadrut. The benefits (holidays with pay, etc.) are maintained by a contribution of the employers (14.1 per cent of the wages) which goes to the Agricultural Workers' Insurance Fund, while the worker himself contributes 3.9 per cent.

It is therefore not surprising that there is a constant drift of agricultural wage earners to the towns and a very great labor turnover, which means that green labor is constantly taken on. The agricultural worker constantly seeks means of escape from the low wages and insecure employment. The average age of agricultural wage earners is high, as youth tries to escape, constantly leaving for urban jobs.

At present the productivity standards are low, as most agricultural workers are new to farming. It is estimated that among immigrants who came to Israel between 1950 and March 1955, just under 6 per cent of the gainfully occupied males were engaged in agriculture before their arrival in the country.

Some experts whom I interviewed stated that the productivity standard of the average Israeli wage earner in mixed agriculture is not higher than 30-40 per cent of his opposite number in Western Europe. But the standards are on the increase through training and the introduction of norms and incentive schemes, especially in citrus growing and fruit picking where the norms are constantly being raised.

We can divide the agricultural wage earners into several groups. The most important line of division would be be-

tween members of new farming settlements (immigrants settlements, labor villages and labor camps) and all the other workers. Members of new settlements enter the labor market trying to supplement their livelihood by part-time employment during their first years on the land. When a new settler cannot support himself from his new and underdeveloped holding, the Employment Center for New Settlements is expected to find him employment in essential work, chiefly in his own village, offering him a maximum of twelve days of work per month on condition that he spends the remaining working days of the month on the cultivation of his farm or on the development of the village farmland. The allocation of work in the village is made in agreement with the villagers themselves.

The Employment Center for New Settlements, founded in 1954 jointly by the Ministry of Labor and the Jewish Agency, is really a special Labor Exchange for new settlers, but with the larger objective of systematic education and training preparing the settler for complete economic independence on his own self-supporting farm.

There is also another special organization, the Agricultural Employment Organization *(Metah),* established by the Movement of Co-operative Settlements, for those settlers who cannot cope with their responsibilities in managing their farm. *Metah* temporarily takes over the farm, and employs them on their own farm, securing for them a minimum livelihood, until the settlers can get on their feet and can assume their own responsibilities.

The new settlers are actually assisted employees with special rights and under special care, with a view to helping them achieve final independence. They are apprentices, learning the trade and becoming full fledged farmers.

All the other agricultural workers can again be divided into two main groups: those who work more or less regularly, full-time or part-time, in special lines of farming; and those who are sent by the Labor Exchange at the peak season, when peak demands for labor are received, or for harvesting. These latter are often called "men of the Labor Exchange," as the Labor Exchange often figures as the organizer of the work, and sometimes even acts as paymaster for the work done, arranging transport to and from work, often from neighboring towns. Such men are not attached to agriculture, they are green hands taken on a purely temporary basis.

It is estimated that the peak demand for harvesting the orange crop was in 1957 about 4,000 to 5,000 men; the gathering of grapes gave employment to 2,000 to 3,000; cotton and peanut harvest to 8,000 workers.

At the other end of the scale there are men permanently attached to farming. In 1955 they were divided more or less in the following way,[1] according to the main branches of agriculture:

About 4,000 on vegetable farms.

About 4,000 working in the orange groves more or less permanently.

About 4,000 in forestry for the Government and the Jewish National Fund.

About 3,500 as wage earners in the Kibbutzim, different types of Moshavim, or in mixed farming.

About 1,000 were employed by the Jewish Agency and by the Ministry of Agriculture.

About 500 were employed in fishing.

Finally we can divide the whole body of agricultural

[1] The figures, by the Union of Agricultural Wage Earners are only estimates.

workers by status, by stability and guarantee of employment. According to the figures of the Union of Agricultural Wage Earners the following were the main groups of workers in 1955:

1. About 2,500 were permanent monthly workers. These form the aristocracy of the agricultural workers. They are paid for 25 days per month the whole year round, and are the leading hands in a work group or even foremen. Their position is one of responsibility and trust. They are attached to agriculture which is their main occupation. They form the backbone of both the union movement and the agricultural economy. They are nearly 100 per cent organized.

2. The second category, approaching the first group in status, attitudes and organization, consists of permanent daily workers. There are about 10,000 of these. They are paid by the day, but they are guaranteed 200 days per year. This means that they work on the average four days a week full time in season but less in other periods. In due time, in most cases, they are promoted to the first group as openings occur.

In a *pardes* (citrus grove) of 100 dunam there may be one permanent monthly worker and two, three, or four permanent daily workers.

3. The third group consists of partly employed workers, guaranteed about 150-200 days a year. That is, they work, on the average, about three days a week. They are not able to live on the wages they receive (between IL 15 and 18 a week), but rely on the help of their own small holdings, on other occasional earnings, or the earnings of other members of the family. Most of them are organized and they are reckoned to be about 10,000 strong.

4. The fourth group consists of the seasonal workers

in the strictest sense of the term. They are guaranteed between 100 to 150 days a year according to the length of the season. Their number is estimated at 10,000. They are taken on for the season, and work continuously up to its end. They may combine agriculture with work in a seasonal industry like the food industry or citrus packing. I met, in the food processing factory *Assis,* seasonal workers who worked for four or five months in *Assis,* and two or three months in farming. By and large they show a low degree of organization, and are in and out of the union.

5. The fifth group are the temporary workers, those who are called "men of the Labor Exchange," taken on according to purely temporary needs for a few days or so.

Summing up, we find that the situation of the agricultural wage earners presents a strong contrast between hope and reality. Official policy speaks of the necessity of productivization of the population, primarily through its agronization, but offers little incentive for doing so as far as the agricultural wage earners are concerned.

4. The Unemployed and the Poor

As in all other underdeveloped countries, unemployment is the great scourge of Israel, especially as the mass immigration of recent years brought a mass of people without skill or education, and out of harmony with the requirements of Israel's economy. The scope of the problem can be gauged from the following figures, published

by the Central Bureau of Statistics on the basis of a Manpower Survey for November 1955:

Total unemployment numbered 45,500, among them 41,400 Jews, (29,400 men and 12,000 women). The number of men partly employed was 109,700, among them 92,900 Jews, (46,800 men and 46,100 women).

The two categories together formed a considerable percentage of the total manpower in the Israeli economy. The grand total, including self-employed, was at that time 631,700, while those fully at work was only 451,200. Of course, the partly and fully unemployed constitute a much higher percentage of the wage and salary earners estimated to be in the neighborhood of 340,000 to 350,000.

This presents a formidable waste of precious economic and human resources. The strains and stresses it produces are even greater, as unemployment insurance does not exist and the unemployed receive no unemployment benefits either from the State, or from the Histadrut. Even the unemployment benefits of the Histadrut which were at first given out of a special workfund were cancelled and replaced by Histadrut credits to enterprises which undertake to increase their staff.

Instead, Labor Exchanges try to provide the unemployed with a quota of 12 days' work per month, mostly by placing them in temporary work, relief work, or development work on the basis of rationing employment opportunities.

At the beginning of each fiscal year a special employment program is adopted in terms of days of work sufficient to supply the number of breadwinners who are expected to be out of work.

This is the Israeli substitute for unemployment benefits and it provides the unemployed with a minimum of subsistence. If the program were fulfilled 100 per cent, i.e. if every unemployed person were actually provided with a quota of 12 days work, he would get, (at the end of 1955) if on relief work, 12 times IL 4.765 (which is the wage rate fixed for relief works), i.e. about IL. 57; if on development work, 12 times IL 5.450, i.e. about IL. 65. The wage rate for relief work is about 20 per cent lower than the standard wage in agriculture which is low enough. As he can work only half-time, a man on relief work earns about 40 per cent of what the fully employed agricultural wage earner can get. Of course, about IL. 60 a month (or about $8.00 a week) is not enough to keep him going, or even to provide for essential food requirements. Consequently, productivity in public works is extremely low, and the principle "for little money—little work" prevails.

The idea behind the lower wage rates for relief work (in 1954/1955 they were even lower amounting only to IL 46.600 a day) was to make the small budget set up for this purpose go farther. Unfortunately, the same principle does not apply to the level of wages in the country. As about 47 per cent of the wage and salary earners are employed by the public sector and the Histadrut, obviously the higher the wage rate the smaller the number of people who can be employed by the same available wage fund. In Israel the Wage Fund theory seems to be fully applied.

As to the rejection of the institution of unemployment insurance, the motives behind it are based on the fact that there is no lack of work in Israel, in the Negev or the Galilee, or in border settlements. Anyone able and willing to work need not suffer starvation, and can count on full support and all possible help from the respective authorities in Israel. The layer of *Lumpenproletariat,* of the parasitic sector of the population, and, generally speaking,

of the unproductive classes in Israel, is large enough, and the tendency to sit under a palm tree and to watch the clear blue skies seems to be quite real, so that any encouragement of this tendency by unemployment benefits may be dangerous to Israel's future. It is emphasized that the most important process is the process of productivization of the masses, and in fact this process cannot be carried out without individual hardship, as only hardship can produce the required mobility into trades, regions and localities required.

Now for a closer look at the complete figures of the Labor Exchange for 1954, which was a rather good year compared with 1950-1953. We must realize the limitations of the registration figures of the Labor Exchanges. They register men from the ages of 18 to about 55, and older men only if they have a trade (skill) and there is a prospect of placing them. Arab workers who are registered in their own Labor Exchanges, and unorganized workers, i.e. all those who are not members of one of the four main Jewish labor movements, are by and large excluded from registration. Also new settlers from new farming settlements are excluded as they are served by the Employment Center for New Settlements, created in January 1954. Youths up to 18 are registered in their own Exchanges.

During 1954, in all the regular 56 Labor Exchanges existing in the country about 100,000 people registered as looking for a job, of whom 77 per cent were men and 23 per cent women. Of the 77,000 men about 24,000 were single and 13,000 with one dependent, the rest had more than one dependent, and 10,000 men had more than six dependents. In terms of members of families the men registered during 1954 represented about 235,000 persons —apart from the 23,000 women and their dependents.

It is interesting to note the distribution of this mass of people according to country of origin. The majority, 55.4 per cent, were from Asia or North Africa, and only 6.9 per cent were native born, the rest coming from Europe, America, etc. The American and Anglo-Saxon immigrants formed only 0.3 per cent of people on the Labor Exchange rolls. Among the unskilled the proportion of Asian or African born immigrants was even greater, 66.5 per cent.

That the new immigrants from all countries are the main victims of unemployment is true of all countries of immigration. Among men on the Labor Exchange rolls 77.1 per cent were new immigrants who came to Israel in 1948-1953, and an additional 1.2 per cent who had just come in 1954.

On the whole, the main victims of unemployment were the unskilled workers who formed 60 per cent of the men and 79 per cent of women registered at the Labor Exchange. The greatest incidence of unemployment was in building and agriculture where work is casual.

From the point of view of age, the groups on both ends of the scale suffer most; the very young who enter the labor market after their military service, and those above the age of 55.

Most men at the Labor Exchange were unemployed for only a short time at a stretch, but the worst part of it was that over and over again they had to fall back on the services of the Labor Exchanges. Those who returned from year to year made up about 56 per cent of all registrations during the three years 1952-1954. Of the 100,000 persons who turned to the Labor Exchange in 1954 only about 18,000 were placed in stable and permanent employment, as permanent places are scarce and the Labor Exchanges have mostly temporary jobs to offer.

However, the principle of providing 12 days employment per month worked fairly well, although not without individual hardships. Of the total at the Labor Exchange, 33 per cent were unemployed longer than 13 days and 15 per cent longer than 19 days.

Now let us turn to men on assistance. All those who are registered by the Labor Exchange, i.e. who are able and willing to work and have a reasonable prospect of getting a job, are excluded from assistance granted by the Public Assistance Boards which are under the administration of the local authorities.

The size of the problem can be gathered from the figures of the Ministry of Social Welfare. In 1952 about 73,000 families received help, in one way or another, from Assistance Boards. In 1953-54 this figure fell to 61,000 families, of whom about 55,000 were Jewish. The average size of the family helped by the Assistance Boards is higher (about 4.2 persons) than the average for the country (3.4), so that the total number of persons in the country on Assistance or in need of Assistance would be about 250,000 i.e. about 15 per cent of the population.

There has been some improvement. As mass immigration subsided, the total number of cases on Assistance declined in 1954 and 1955 by about 16 per cent. Still the hard core of cases is formidable.

This hard core includes about 13,000 elderly persons who were mostly transferred in July 1957 to the Institute of National Insurance from which they receive old age pensions, plus about 5,500 widows without means, about 4,000 invalids, about 11,000 chronically ill, about 7,700 very large families, about 1,000 deaf and blind, about 3,000 problem families, about 3,000 handicapped in one

way or the other, and 7,500 otherwise unemployables,[1] a total of 55,700 hard core cases.

There are also other cases of extreme poverty which are not relieved by Public Assistance. In the principal towns there are quite a few beggars and paupers, some of them in an appalling state. In addition, there is a considerable number of hawkers, peddlers, hucksters, and bootblacks who earn no more than a beggar's pittance but try to preserve their self-esteem.

The Ministry of Social Welfare offered public assistance at the following rates per moth (at the beginning of 1956): IL 10.200 for an invalid, IL 6.800 for his wife, and IL 5.100 for each child. In some cases the rate is less, for instance, for an elderly man IL 9, for his wife IL 6, for each child IL 4.500, for a widow IL 7.500, and for each of her children IL 3.750. These rates are hardly sufficient for bare necessities, so the families must have other sources of income or assistance. Occasionally they have a windfall, when a wife or a child brings home something.

As far as I know, there are no studies showing the extent of poverty in Israel, based on objective scientific investigation such as those carried out by Seebohm Rowntree, Charles Booth, or Bowley and Hogg in England. There are only guesses at the extent of distress caused by the lack of the bare necessities of life. While it is true that no one in Israel starves in the physical sense, there is a considerable area of hardship which was almost unknown prior to the big waves of immigration.

The standard family budget, accepted by the Central Office of Statistics on the basis of consumers purchases for an average worker's family of four (more accurately 3.9

[1] In some *ma'abarot* 40-50 per cent of inhabitants are social cases, in some of the new immigrants' villages 20-25 per cent.

persons) for the purpose of a cost of living index, was (in 1956), in the neighborhood of IL 200 per month.[1]

One half of this standard budget, or about IL 100 per month, can be assumed to be necessary for the barest minimum subsistence. My guess is that about one third of Israel's population does not attain even this minimal level, and leads an existence below the poverty line. This guess is based on a careful study of all available figures, after the elimination of possible entries for unemployed, under-employed, under-paid in agriculture, building, public works, men on Assistance, etc. but considering also the impact of over-sized families on the family budget.

This would mean that the social situation of Israel in regard to poverty resembles more or less that of England at the end of the 19th century. According to the studies of Charles Booth, among London workers in the period of 1886-1888 about 38 per cent were classed as below the poverty line. B. Seebohm Rowntree found that in the urban community of York in 1889-1902 about 33.39 per cent had to be thus classed. It is in the light of these figures that the Israeli situation has to be judged. And Israel is a country certainly not more developed than England was 50 years ago, in fact far below that level.

[1] The standard family budget assumed in the index for a family of 3.9 persons amounted to IL 81.5 in 1951, and is the equivalent, for the same list of consumers' goods, of IL 198.86 in March 1956 (with the index number of 244).

5. The Young Immigrant Worker

The clash of generations can nowhere be more clearly seen than among the workers. The young worker gets on very well; he adapts himself to the new country very well; he speaks Hebrew; he bears the rigors of the climate. He can do all sorts of jobs. He is sought after and in great demand. The older man, on the other hand, is left behind. His Hebrew is poor. He feels tired. He is full of bitter memories, and he still lives in the past. Nobody wants him.

This is probably true of any country of immigration in its first stages of development, not only of Israel. Israel is a country of the young, and the young have little respect for the older man. Fathers complain bitterly about disrespect shown by their own children. And those who came from the Middle East complain even more bitterly. They still cling to their customs and habits, and this is met with ridicule from their own sons and daughters. A father from Persia said: "In Persia my son would not dare to sit while talking to me. Here I have to stand before him. He just tolerates me. But is that not natural? He earns good money, while I am wasting my life, doing nothing, having no prospect of a job. He speaks Hebrew, and I cannot understand what he says. Altogether, I cannot understand him. The greatest tragedy of our generation is that we have lost our sons and daughters, and many men also lost their wives to the new ways. They are becoming disobedient and disrespectful." These problems are aggravated by the cross-cultural strain, but the basic trend extends to all strata. The father is the dethroned king,

his position being directly assaulted by his successful, boastful son.

The root of the constantly heard complaint about the disrespect of the young towards their elders is primarily the employment market which is open to the young and closed to the elderly. In addition, the process of acclimatization and adaptation, which operates quickly for the young, is immensely difficult for the older men. They lose their roots, while the young ones strike new roots easily. They often feel useless in Israel. They feel that they are only a burden, they cannot help much with the most important problems of national defense, and can help but little in building up the country. And the feeling of uselessness weighs heavily on their minds and hearts.

When the immigrants arrive, the younger members of the family are taken care of immediately. They are sent to schools. The army and youth clubs contribute to their absorption. But the older members of the family are in most cases left to their own devices.[1]

The younger man gets into a permanent job, while the older man hangs around the Labor Exchange, expecting only temporary jobs, or badly paid public works jobs. Thus many old parents are supported by their sons and daughters.

But in other ways too the young man cuts a completely different figure from the older worker. He is far removed from the older workers, intellectually, mentally, spiritually. He belongs to a different historical formation. The workers between 20 and 30 years of age and the workers in the 40 to 50 age bracket have no common language, no common ideology, no common ideals, no common interests. The older worker of European origin has lost, it is true, most of his illusions, but still he was deeply steeped in Marxism, socialism, internationalism. He still dreams about international brotherhood. At least something is left in him of those myths which shaped his early outlook.

[1] Only recently, Youth Aliyah has tried new methods aiming at a greater participation of the parents in the total educational effort of the youth.

There is no sign of all this in the young worker. He accepts as a matter of fact the socialistic institutions built up by the older generation. He does not think about them. The Histadrut, the social benefits, the achievements of the long struggle for social betterment, all this he simply takes for granted. Socialism has for him no myth-building elements.

Also the new state is taken for granted. The young worker is not over-sentimental about it; he does not like to talk about it, and still less to hear sermons about it.

He moves in a mental climate entirely different from that of the older generation. The strongest factors in it are:

1. The Army and the needs of national defense.
2. The cinema which he frequents with great passion.
3. The influence of the Sabra youth on which he models himself.
4. The process of industrialization.

The two and a half years' service in the Army breeds in him new values: self-reliance, confidence, toughness and even aggressiveness. It is the spirit of adventurous pioneering similar to the spirit of the Wild West 100 years ago in the United States. This spirit is fostered by the actual situation on the frontiers which has existed since 1948.

The second largest factor is cinema culture, which is becoming a powerful means of mass education in Israel.

The young immigrant worker loves the films, and he is addicted to them to a very large extent.

The language barriers, the cultural vacuum for large masses of immigrants, the narrowness of Israeli urban life, the smallness of the country, the hardness of life due to the constant danger of attack from the Arabs, anxiety—all these contribute to the victorious march of cheap illusions which in Israel are needed even more than anywhere else. And the themes of love and death, the films about the cowboy, and the frontier, and the West, are well suited to the needs of many of the Israeli youth.

The interests of the young immigrant worker, with whom we are here primarily concerned, center around the cinema and the dancehall, but first and foremost around the cinema. The film produces innumerable subjects of conversation; it is taken seriously; it is discussed in the workshops. It not only molds minds but sets patterns of behavior.

The third big factor is the influence of the Sabra. The Sabra is a type unto himself, and we will describe him in a separate chapter. The Sabra is the model to be aimed at. The Sabra group is small in numbers among the industrial workers, but still it is instrumental as a molding force.

The matter-of-fact manner, the one-syllable answer, a certain sharpness and hardness of character, a lack of emotionalism, aggressiveness—all are general characteristics of the Sabra which are being transferred through example and imitation to the young immigrant worker. In some respects the traits of the Sabra are in accord with the traits of the cinema culture, and of course are even more easily absorbed.

The fourth factor is the process of industrialization.

The immigrant workers come mainly from a non-industrial environment to an environment undergoing a process of industrialization. In his factory he comes into contact with machines, and with the whole industrial setting, discipline, and mode of life. He must live in a workers' community, with his comrades, work side by side with them, make common claims, learn the rules of Trade Union behavior.

He enters vocational courses to learn more about the machines with which he has already become acquainted in the Army. He rather likes machines, and becomes mechanically minded, boasting if he has to handle a new, modern machine. The mechanistic civilization gets hold of him. Again, this factor goes hand in hand with other factors already mentioned.

By and large, his mental image of life is not well integrated. There are many factors fighting for supremacy in his mind, coming from many strains and many cultures, from the past and from the present. But the general bent of the mental atmosphere in which he moves is unmistakable.

6. The Sabra

There is a huge amount of literature on the Sabra and I do not think I can add very much. Still, the Sabra worker presents such a crystallized type in the workers' world that it is difficult not to include him in the gallery of our types. Besides, he points the way to future developments; he is the pattern on which the other young workers try to model

themselves consciously or unconsciously. If we can find out what the real nature of the Sabra-worker is, we can probably find the answer to the question of how the Israeli worker will look in another 20 or 30 years.

We must, of course, realize the difficulty of painting such a complex and composite portrait. The Sabra of Western parentage, the Sabra of Middle Eastern extraction, the Sabra of the first and of the second generation, all look different. The orthodox Sabras, especially the Jerusalem Sabras, are a type of their own.

What has shaped the Sabra most? Outdoor life, the school, the Army, living with Arabs, living under the British Mandatory regime, perpetual war and struggle, unceasing emergency and danger, the climate, the landscape, the Kibbutz, finally the conscious opposition to the values of the diaspora.

He is deeply rooted in the Hebrew language and culture. Apart from broken English (or "Penglish") and broken Yiddish, he actually does not know any other language; he is not particularly good at languages.

He has absorbed an enormous amount of the Bible, and all its stories and legends are vivid and alive for him. Those ages long past, 2,000 years away, are far nearer to him than the last century, and they have more meaning and significance for him.

He does not like the Jews in the Golah, and he does not understand them. He is not interested in reading and hearing about them. They strike him as artificial, and it pains him to hear that they allowed themselves to be slaughtered without a fight. "They could at least fight back as we do," he thinks.

The whole minority complex, the mentality of people

who practically ask to be excused for daring to exist, is something appalling to him and utterly repellent.

"I live and will fight for my right to live and to shape my destiny, and no one has anything to say about it. 'I am that I am,' and I don't care two hoots whether they like me or not." The whole "nobody likes me" complex is completely foreign to him. He goes his own way and does not care for anyone's opinion.

One might say that the Sabra represents the mentality of the Golah in reverse. If they read accounts of the diaspora, it is only to know what *not* to be, what *not* to do, how *not* to behave. It is a straightforward negation all around.

Cowardice, weakness, sentimentality, excessive politeness, verbosity—all these things are repellent to him. Toughness and hardness, stubbornness and endurance, unyielding firmness—these are qualities worth having and worth developing. Besides, school, youth movement and Army life, as well as a life of struggle and fighting with the Arabs teach and inculcate these qualities.

The seal of silence which often seems to lock the heart of the Sabras may be partly explained by the requirements of security, of secrets which are to be kept even vis-à-vis parents and friends, "The less you talk, the less you are likely to get into trouble," a Sabra would say.

The spirit of volunteering against the background of constant emergency seems to grow into his personality. The whole situation in the country from the beginning could be mastered only on the basis of constant readiness of the volunteer for self-sacrifice. The principle of volunteering provides the lifeblood of the country and marks the spiritual pattern of the Sabra.

The other important ingredient of the Sabra's person-

ality is his community-mindedness. Most Sabras have passed through a period of life in a Kibbutz, either in a youth movement, or in *Gadna* (youth pre-military training) or in the Army itself or otherwise. In molding the life of the Sabra the Kibbutz assumes a much greater role than we would expect from the percentage of the Kibbutz population in the whole country. The Kibbutz is a most important educational factor and it leaves its mark on many of the youth. As a result, the Sabra is much less individualistic than the Jew from the Golah.

The Sabra is regarded by the Jews of the Golah as *goyish*. This reminds me of what I heard from Poles residing in Britain after the war, when I made a study of Polish workers in England. Many times they said to me: "We Poles have become here very much like the Jews in Poland." The meaning of it was that the Poles in Britain had acquired a minority complex. In reverse, the Sabras became *goyish* in the same sense.

One could describe the Sabra as anti-bourgeois, not in a political sense, but purely in a cultural and social sense. The values of narrow bourgeois life, centered around the home and family, are by and large rejected. Altogether, the middlemen's position and intellectual pursuits are not very poular with the Sabra, again in opposition to the past.

His coldness towards his family and parents is easily explained by his opposition to the values of the Golah, which the parents represent and by his feelings of superiority in all respects vis-à-vis his parents and elders at large. They are frequently useless over here, while he is active. He is well rooted, well versed in Hebrew language and culture.

Brought up in the street, or in the youth movement or

in a Kibbutz, he feels much better outdoors, in the fields or in the streets (there is in Israel no counterpart of the *Agora* in ancient Greek culture) than at home.

His anti-intellectual tendency in a way explains why so few Sabras lead in politics, culture, arts. They are regarded as lacking intellectual initiative, anyway as less pushing.

Said one of the Sabras: "We have lived for too long with the Arabs not to acquire something of their mentality. I believe that this is especially true with regard to not pushing oneself to the forefront. Even when we run a factory or workshop we are content to keep it going, without wanting to make it bigger and bigger like the immigrants *(olim)* do. Anyway, Sabras are less European minded, less modern minded than the newcomers."

A man who lived with Sabras a long time described them to me in the following terms: "The Sabras don't care about making headway. They don't strive toward bettering themselves as they don't know anything better. They haven't been to Europe, so they are content to stay put." This again may be an Arab influence, or it may be the influence of the climate.

They often feel outdistanced by the wit of the newcomers, being slower in their adaptation and having a much stricter moral code than those who had to struggle very hard for their sheer survival.

Among the working classes they are rarely to be found as unskilled laborers. Few of them are building or agricultural wage earners; they are more frequently found among transport workers and skilled industrial workers and still more frequently in offices. But they rarely occupy positions of influence and importance in the offices. Many of them are on this count disgruntled, stating that they

often get fewer privileges than the newcomers and also must live in worse housing conditions as all the new houses are reserved for the new immigrants.

7. Adolescents at Work

The youth is the hope of the country and one of the primary justifications for its existence. The popular saying in the Kibbutzim and all other rural settlements goes: "Our best products are our children," and it is literally true. In the work of the Jewish Agency the Youth Aliyah Program, carried on for more than 20 years,[1] is the most constructive contribution to the regeneration of Jewry. All the educational and cultural work in Israel, undertaken by the Government, municipalities, labor and political movements, the Army, districts, clubs, volunteers, etc., makes the country one great school where everybody teaches everybody else. The needs and wants are enormous, the challenge is great, and so is the opportunity to mold a new type of Jew fit for the new social requirements of Israel.

The main problems and handicaps in this program arise out of the clash of generations, especially in the Middle Eastern population. The rapid liquidation of traditional loyalties among the youth, and in particular among the trained youth of the Middle Eastern communities, resulting in the severance of ties with their parents, elders and village friends, is the major cause of

[1] In the 21 years of its existence about 75,000 children coming from 70 countries were cared for by the Youth Aliyah Program.

social and communal stress and strain in Israel already described in some detail.

Here we are concerned only with adolescents at work. The school leaving age is 14, identical with the minimum working age according to law. However, the poverty of many immigrant families drives a number of children into house work or peddling or newspaper selling.

Working youth is divided into four age groups, from 14 to 17. They are under special supervision and are served by special Labor Exchanges in the cities (at present there are 10 of these), and vocational guidance centers. They are organized in a special Histadrut organization (Histadrut Youth), and are protected by two special laws of 1953, the Juvenile Labor Law, and the Apprentices Law.

Their hours of work are limited to eight per day and 40 per week. Nightwork is generally prohibited. Late shift work, to 11 P.M., is permitted only for those between the ages of 16 and 18. Special breaks are required during the working day. Vocational guidance is to be provided and some occupations may be prohibited without vocational guidance. All juveniles must pass a medical examination, and must be re-examined at regular intervals. Juveniles who attend evening classes must be released from work at 4 P.M. without any deduction of wages.

The Apprentices Law goes even further. It proclaims the general prohibition of blind alley jobs for working youth. It provides that no youth may be employed in any other capacity than as an apprentice. The Minister of Labor in consultation with the Minister of Education must prepare programs of training for apprentices for different trades. He must also fix the minimum age require-

ments and education qualifications for apprenticeship in different trades.

The Minister of Labor also has the right to fix minimum wages for apprentices, as well as the quota of apprentices per establishment. He may grant the right to employ apprentices and may issue certificates of proficiency to employers whose apprentices have distinguished themselves in examinations.

When a youth has worked under an employer for three months, an apprenticeship agreement is concluded. A copy of this goes to the Supervisor of Apprentices. In the agreement the employer pledges himself to keep the apprentice employed until the end of the apprenticeship period, to employ him in accordance with the program of training, not to use him in any work not linked with his training, to provide him with proper instruction and to free him from work to attend classes of study (for about 12 hours a week).

The provisions of the law are admirable. Unfortunately, up to the present they remain largely on paper. There are three factors responsible for this state of affairs.

First, there is the great scarcity of openings for apprentices. The Labor Exchange officers say only a small percentage of the adolescents who register for work can be placed in a skilled trade. There are not enough sufficiently skilled men who can undertake the methodical training of youth. Employers are reluctant to pledge themselves to keep a youth employed until the end of his apprenticeship, which often means after the youth comes back from the Army.

The state of business is too unstable and trends are too unpredictable to undertake such a pledge. The employer also does not know whether a youth who has been trained

by him will come back after his Army service or stay on with him after finishing the apprenticeship. Besides, he has no training department, and no maintenance engineers to deal with the repair of machines used by apprentices.

The provisions of the law are onerous from the point of view of the individual employer, as the minimum wage rates fixed for apprentices are relatively high, and only a few large enterprises can afford to enter legal apprenticeship agreements.

Moreover, openings for adolescents are few and far between, not only in skilled trades but even in blind alley jobs. It is reported from the Haifa Youth Labor Exchange that in its first period, between August 1954 and March 1955, 1,000 boys and girls registered and only 300 were placed. The unemployment rate among youth is very high, (about one fourth of the total) and there are many who have not yet had a chance to start working.

Secondly, the human material which enters the labor market directly from the primary schools is, generally speaking, very poor. The Labor Exchange officers who know their young "clients" say that a very large percentage of the juveniles are only semi-literate. Quite a number have not even had a chance to finish the elementary school, and are classed as the only earners in their families. This is due to the fact that most of the bright youths continue studying, going on for a secondary education. The ambition of most of the parents is to give their children the secondary education which is regarded as a minimum education for a respectable Jew, and a father would have a bad conscience if he refused his boy the chance to finish college. In the rural settlements and the Kibbutzim 12 years' of schooling is the rule. Statistics in the Municipal-

ity of Tel-Aviv show that 55 per cent of those graduating from elementary school complete a secondary education. Although the figures are lower for other parts of the country the tendency is to regard secondary school as the minimum for all who can afford it.

Thirdly, we have to consider the effect of Army service on the program of apprenticeship. Youths of 18 join the Forces for two-and-a-half years, and when they come out, enter the regular adult labor market.

For many of them service in the Forces is an education for citizenship and for life; many learn useful trades, including driving an auto and a smattering of farming. But for most it is a real impediment to getting on with their trade or intended profession. And for many service means actually not only an interruption but the end of their professional careers. The will to learn evaporates. The two-and-a-half years' service is thus a drain on the supply of skills, preventing most of the apprentices from finishing their training.

In most cases the term of apprenticeship is three to four years: three years in carpentry, four years in printing and typesetting, etc. Thus, even when apprenticeship starts soon after leaving school, in many cases there is hardly enough time to complete the full training period required. And what is there to say about boys who finish school later, at the age of 16? If the boy enters the labor market at the age of 16, there is hardly anything for him to do but to enter a blind alley job. Youth leaders simply do not know what to do with boys who come out of school at the age of 16 or 17. To start an apprenticeship for a year or two which will be interrupted for two-and-a-half years, is hardly worthwhile.

When the young man leaves the Army, after his full

service, he is eager to get married and start a family of his own; or, if poor, to help out his family which was deprived of his support for two-and-a-half years. Anyway, most men, on leaving the Army, regard themselves as too old to start learning a trade. Besides, the incentives to learn a trade and to forego part of the wages during the period of training are small since the skill differentials in wages are small.

This is the overall situation which contributes greatly to the acute shortage of skill in industry.

Only about one third of the youth (in the ages of 14-17), enters the labor market, at least the organized labor market. In absolute terms the position presents itself as follows: out of the total of 90,000 youth (in 1954), only 25,000 entered the labor market, while nearly 30,000 continued schooling. Of the latter, only 6,500 entered trade, technical, agricultural or nursing schools. The rest (ca. 35,000) were just drifting.

Vocational training in Israel faces many other handicaps. On the one hand, there is a need for specialization; on the other, the small market makes specialization a risky affair, as there are few openings for a specialist in a narrow field. The danger of excessive specialization has already been felt in many places. A specialist must be prepared to be mobile, and move from place to place, as the opportunity arises.

As against this, there is a need for a smattering of many trades in new villages, townships and settlements. A few electricians, blacksmiths, carpenters and plumbers are needed even in the smallest village.

Even more difficult is the planning of vocational training for the future, as industrial development of Israel is

moving at a rapid and highly unpredictable pace, and its future trends are not yet clearly discernible.

The main problems are: how to direct youth to skilled trades and technical schools; how to raise the status and level of those schools; and how to break the tendency towards general secondary education for everybody. The gap of 30 months service in the Army should be bridged either by starting training at an earlier age, let us say, at 12 or 13, or by a more concentrated program of work in special centers for apprentices, or by the postponement of military service for apprentices.

The apprenticeship program must also be made more attractive for the employer. There is something to be said for subsidizing an apprenticeship program in special training departments of the bigger and better organized firms.

Now a few words about the Histadrut Youth. Out of 25,000 working youths (in 1955), about 16,000 were in the Histadrut Youth which has autonomy, its own elected authorities, its own training and camping centers. Thus the degree of organization among the youth, although much lower than among the adults, is relatively high, due chiefly to the monopoly on youth placement by the Youth Labor Exchanges.

The Histadrut Youth is on a non-party basis, and its members are not allowed to take part in political affairs, although this principle is hardly applied to the full. The Histadrut Youth is primarily meant as a school for pioneering, for preparation for trades, and for future entry into the Histadrut.

In 1955 the Histadrut had 15 evening schools for youth with 150 classes and 200 teachers and youth officers.

The difficulties of running the Histadrut Youth are immense, especially in view of the lack of cultural homogeneity among the youth. Youth leaders complain that too often they face two types of youth at two ends of the scale: the snobbish, philistine type of "golden youth" from well-to-do homes, interested only in having a good time; and, at the other end of the scale, the parasitic and semi-illiterate type which often tends to go astray. Programs are worked out to counteract both tendencies, and it is hoped that both those types will in due time be redirected.

8. The Woman Worker

The woman has to bear the brunt of the new working and living conditions in Israel, and she bears it very well. Her life is not easy considering the unfamiliar background, the new social forms of living, and the large size of the average family. The Jewish birth rate is one of the highest in the world. The Jewish "mama" is a famous figure all over the world, but more so in Israel than anywhere else. As in all countries of immigration, the mother is the center of both worlds, one representing the customs and traditions of the country of origin, and the other looking to the future in the new land. She is the stable point in the volcanic eruption of the new reality, in the unprecedented striving for a new style of life.

However, apart from her many duties in the home, the Israeli woman often has to help her husband in the struggle for survival by going out to work. The familiar saying one hears from Israeli women workers is: "You can't make a decent living on one wage." Before she has her first

baby, a young married woman continues working to acquire a house, or to buy furniture, and even later, to put her children in kindergarten or through school.

In the Kibbutz all women work on an equal footing with men, although the old rule that all work is equally suitable for both sexes has been dropped. Now most women specialize in a limited number of occupations, like poultry raising, flower growing and ornamental gardening, box making, cultivation of fruit trees, bee keeping, etc.

In the new immigrants' settlements women specialize in cottage crafts inherited from their mothers in Yemen, Persia, Morocco, Tunisia or Bulgaria. Their work is much appreciated and finds a relatively good market.

Teaching, nursing, social work, hotel and restaurant services are women's preserves. In teaching and medical services women make up about 62 per cent of all Histadrut membership, in hotel and restaurant service, 45 per cent.

In government service the woman secretary, woman typist, and woman civil servant are familiar figures. Altogether, in government service one third of all employees are women.

In industry they are concentrated in special occupations, like the tobacco industry, weaving and spinning, food industry, and the chemical and pharmaceutical industry.

Women formed about one fourth of the total Jewish manpower in 1955. This is a very high percentage, considering the large size of the average family and the large proportion of the Middle Eastern population, and it is mainly due to the many women members of the Kibbutzim and the co-operative farms as well as the self-employed women owners of crafts and shops. Among 136,000

gainfully occupied women in 1955 there were about 20,000 members of Kibbutzim and 12,100 members of co-operatives and other self-employed women.

In the field of wage and salary earners the percentage of women workers was a little smaller than their percentage in the total manpower, amounting to about 23 per cent. Of the total of 82,000 women wage and salary earners about 54,000 worked in services including government, 13,000 in crafts and industry, about 7,000 in banking and commerce, and about 3,500 in farming.

The percentage of women who go to work is much smaller among the immigrants than among the older established population, and much smaller among the Middle Eastern population than among those of European stock.[1] This is primarily due to the fact that the older population shows a higher degree of education and skill and has been able to settle in permanent jobs. The Middle Eastern women have additional handicaps because of their large families, as well as the prejudice of their husbands against women going out to work.

By and large, work by women, apart from a few traditional fields, is not greatly encouraged in Israel. Jobs are scarce, so why encourage a woman to take a man's place? Two jobs, of man and wife, are regarded as socially undesirable, and a married woman whose husband works is the first to be discharged. The Labor Exchange is loath to register a woman whose husband works, unless she is highly skilled, or belongs to a professional group. On the other hand, many wives of workers or clerks run shops

[1] Among the older population 27.9 per cent of women from European stock, and 15.2 per cent of those from the Middle East went to work; among the new immigrants the corresponding figures were 21.5 per cent and 14.8 per cent.

or small workshops of their own, and a large number of wives of civil servants, especially in the highest ranks, are gainfully occupied in trades and crafts.

Women's work is covered by law in a very comprehensive way, but this protection is not conducive to providing more jobs for women. The law on Women's work passed by the Knesset in 1954 forbids, generally speaking, the employment of women on night shift, except in certain occupations and certain specific emergencies. This restriction is a handicap to the employment of women in many trades, such as citrus packing, or spinning and weaving, where a three-shift-system is often necessary. According to the law, the Minister of Labor is empowered to forbid or limit the employment of women at any work or workplace which may affect their health adversely. The employer has to give an expectant mother 12 weeks' leave, a maximum of six weeks before the birth to be determined at the choice of the expectant mother and the balance after the birth. A woman may not be dismissed during the period of her pregnancy, except with the authority of the Ministry of Labor. There are also restrictions on overtime during the pregnancy period.

Work by girls in industry is not very popular with management and the general trend is to eliminate it as much as possible. At one time the percentage of girls in industry was larger and their work was very much appreciated. During the pioneering period girls even used to work in construction and road building; at present the trend is being strongly reversed. Even in the textile industry girls are being replaced as fast as possible. In more than one factory which was a preserve of women's labor, I was told: "We are trying to replace girls by men. Men

are more effective and more responsible. They can work all shifts and also overtime if necessary."

High turnover is another handicap. Many women take jobs temporarily to save enough to get an apartment, or furniture, and when their goal is reached they leave the job. Training girls costs the firm hundreds of pounds, and this goes to waste. "It does not pay to train a girl," was another statement often heard.

Of course, absenteeism is higher among girl workers, as can be expected of women who have two jobs and two bosses, one at home, another at work. Fatigue and overwork are frequent phenomenas. It is also stated that girl workers need more welfare services and more supervision, which all adds up to a lower degree of effectiveness for the firm. Accordingly, and for other reasons, girls are paid lower wage rates. The Histadrut proclaims the principle of equal pay. But the principle is applied only to professional work, not to industrial work.

Sex discrimination in industry is based mainly on the division of jobs between the sexes, better jobs being usually reserved for men. But even if men and women work at the same machine, men receive about 20 to 25 per cent more.

The average basic wage (in Oct. 1953; there has been little change in basic wages since then) was IL 3.378 for men, and IL 2.497, or nearly 30 per cent less for women. But the difference in total wage was nearly 35 per cent due to many other wage factors in favor of men, such as more overtime and shift-work, family and seniority allowance,[1] etc. The average weekly wage in Oc-

[1] On the other hand the system of automatic cost of living allowance increases tended to diminish the sex differential, as it did all other differentials.

tober 1954 was IL 48.7 for men and IL 31.8 for women.

This wage differential is much bigger than the output differential, as can be seen from comparing the differences in wage earnings based on production. The difference in earnings based exclusively on output was only 29 per cent (Oct. 1954), although, of course, the wage earnings of women were generally speaking based on lower rates.

In the salary earning group the wage differential amounted to about 36 per cent (Oct. 1954).

One of the characteristics of women's wages is that the range of wages, the difference between top and bottom earnings, is much more restricted than among men. The reason for this is that women rarely show higher skills.

The social status of women was somewhat higher before the mass immigration started. The mass immigration from the Middle East lowered it a little, perhaps only temporarily, until new educational standards are reached. In general, the Jewish woman has had high standing in the Zionist movement and in the Histadrut from the days of the Second Aliyah. The Women's Section in the Histadrut has shown great initiative and enterprise right up to the present. The Histadrut does everything possible to train women in trades and social skills, as well as in their rights as citizens. It has admitted women to full membership in all its unions and organizations, and has admitted housewives to full membership with active and passive voting rights in the general body of the Histadrut, a practice unheard of in other countries.

9. The Arab Worker

Although this study is devoted to the Jewish worker in Israel, I feel that it would be incomplete without some mention of the Arab worker.

The Arab population in Israel, together with other small minorities, totalled in 1955 about 194,000 as against 1,538,000 Jews. It amounted to nearly 12 per cent of the total population. This Arab minority is not scattered all over the country, but lives in compact areas of an agricultural character. The Arab population is very sparse in the central areas, in the three big cities, where the bulk of industry is located. Only a few thousand live in Jaffa near Tel-Aviv and in Haifa. About 38,000 live in the "Little Triangle" (near the Jordanian border) while the rest, about 150,000, is concentrated in the villages of Galilee and in and around Nazareth.

The result of this location is that the two sections of population hardly meet or know each other. Each section has its own problems and its own structure. The social and economic setup of the Arab minority shows a completely different pattern from that of the Jewish population. In 1955 about 50.5 per cent of the working Arab population was engaged in agriculture, forestry or fishing, as against 15.3 per cent of the Jewish population. Only 11.9 per cent were engaged in crafts and industry, as against 22.3 per cent of the Jewish population. In services and commerce and banking only 18.9 per cent were occupied, as against 45.3 per cent of the Jewish population. In transport only 3.5 per cent of the Arab working popu-

lation was engaged, against 6.9 per cent of the Jewish manpower.

Only in building and public works does the Arab percentage exceed that of the Jewish population. In 1955 there were 5,900 Arabs engaged in building and public works which amounted to 11.9 per cent of their working population, while the Jewish percentage amounted to only 8.6 per cent.

Altogether, in crafts and industry, building and transport only 12,600 Arabs were engaged, and this figure includes independent businessmen as well as workers. In this figure we see the relative small size of the Arab labor force compared with Israeli manpower in those fields.

We must distinguish sharply between the Arab workers working in the Arab sector of the economy, i.e. under an Arab employer, and the Arab worker working alongside Jews in a Jewish enterprise. By and large the economy of the Arab sector is depressed and backward, and the Arab workers' terms of employment are much lower than Jewish conditions. All the Histadrut achievements for Israeli labor hardly apply to the Arab workers employed in the Arab sector, although a certain influence is felt there but only as a long term development. Up to the present time labor relations in the Arab sector are of a patriarchal and feudal character. In the Arab sector of the economy the Arab worker is unorganized to a large extent. Where organized, he is mostly in the Communist controlled Congress of Arab Workers. Often, when the Histadrut tries to intervene, the Arab worker and the Arab employer form one common front against the Histadrut.

The position of the Arab worker in the Jewish sector of the economy is entirely different. There are several thousand Arab workers mainly in building and industry, where

they are appreciated as good, industrious and eager workers highly praised by management. This is especially so as the Arab worker is most eager to please his employer, as it would not be easy for him to find another job. The Arab workers belong mostly to the skilled trades, and has a long work tradition and experience. The range of skills of the Arab worker is very restricted, but in those which he masters, especially in building, he is classed as a highly effective and efficient worker. There are Arab locomotive drivers, there are Arab *dockers* in the Haifa and Jaffa ports, and in the Haifa region quite a number of the old factories, such as the oil refineries, have retained their home Arab personnel. In the Galilee region there is hardly any Kibbutz without an Arab worker in craft and industry. A number of Arab workers are employed on citrus packing. Where the Arab works alongside Jews, his terms of employment are exactly the same as those of the Jewish workers, and I have heard of no friction or trouble in Arab-Jewish relations in industry. The status of the Arab worker is always strictly protected by the Workers' Committee, and any grievance on the part of Arab workers would be immediately put right. The Arab worker has the same voting rights for the Workers' Committee, and he takes part in the union activities of the Histadrut.

Most Arab workers in Jewish establishments are members of the Histadrut, either in the special Arab section known as the *Brith Poalei Israel* (Alliance of Israeli Workers) or as members of the respective trade unions operating within the Histadrut. Up to 1955, 6,044 Arab workers had joined the Histadrut paying the full membership fee *(mas ahid)*, making use of all its services, including the health and insurance service. This means that the great majority of the Arabs working in the Jewish sector of the economy

are in Histadrut. However, they are not full members of the Histadrut with full voting rights in the general body of the Histadrut, because, as the name of the Histadrut (General Federation of Jewish Labor) suggests, the Histadrut is the organization of Jewish labor only. But in the purely Trade Union section they have full rights, and there are at least six or seven Trade Unions having full participation of Arab workers, such as the Civil Service Union, the Clerical Union, the Union of Teachers, the Building Workers Union, the Union of Retail Workers.

The most important and most pressing problem of the Arab worker is the high incidence of unemployment. From the manpower survey conducted by the Central Office of Statistics we gather that in 1955 only 53.7 per cent of the whole working Arab population was fully employed against 72.9 per cent of the Jewish population. Partly employed were 35.4 per cent (against 15.9 per cent Jewish), while fully unemployed were 8.6 per cent (against 8.2 per cent). The trickling back through the frontiers of Arab refugees, and the military regime of the Arab regime with the restrictions on movement of the Arab population, together with the lack of training facilities and lack of proper employment service are additional factors aggravating the incidence of unemployment.

Both the Histadrut and the Government are trying to remedy the situation. The General Employment Exchanges do not deal with the Arab workers. Instead Special Employment Exchanges for Arabs were opened. Up to the present 25 such exchanges operate in different parts of the country; of these nine were set up by the Government.

In addition, special training centers have been opened and a number of co-operatives helped into existence for

marketing, for consumers and for production. A Special Section has been opened in the Ministry of Labor to deal with matters concerning Arab workers, to help combat unemployment, for vocational training, and to bring about equal pay and equal working conditions for both sections of the economy.

From the very start the Histadrut has been fully aware of the threat which the Arab question and the national division of the Histadrut movement posed to its democratic structure and its social and economic policy, and it has been trying to overcome this handicap. At practically every convention and in every council the question of the Arab workers comes up for discussion with severe criticism from the left wing parties which demand full and unqualified membership for the Arab worker.

Part Three

COLLECTIVE AGREEMENTS AND WORKING CONDITIONS

1. Collective Agreements

The collective agreement is a widely used instrument in Israeli practice, and at present the vast majority of all workers in industry and building are covered by collective agreements.

From my questionnaire answered by all (26) national unions I gathered that there are industries or occupations in which collective agreements cover all or nearly all of the men engaged in them, especially in Civil Service, in the employment by the Armed Forces, among seamen, or teachers (95 per cent). Food workers and bakers claim 85 per cent coverage, metalworkers and clerical workers 70 per cent. The lowest figure is that of building workers (20 per cent). Agricultural wage earners and some classes of transport workers also show a low coverage.

Collective agreements are of recent origin. Some go back to 1925 (clerical workers), to 1930 (printers), to 1938 (sea-

men), to 1939/40 (citrus packers), or to 1945 (in some building trades), but for most industries the institution, as I could gather from my questionnaire, is only a few years old. Considering its youth it is amazing how quickly the institution has spread and developed, becoming a major force in Israeli life.

The importance of this development can hardly be exaggerated, and its implications are very wide, contributing greatly to the peaceful settlement of problems and the constant improvement of contractual relationships. Up to 1956 collective agreements were completely voluntary acts applied by mutual consent, as there was no law prescribing their validity or their form. The Ministry of Labor did not interfere with their negotiation or enforcement, but only offered its good offices in case of need. Although most agreements were sent to its Office, there was no requirement for their registration, which is required by the new Collective Agreement Law, passed by the Knesset in 1956.

Collective agreements in Israel embrace a wide range of types but in the main they can be divided into three principal classes: general nation-wide agreements, branch agreements and single firm agreements.

The general nation-wide agreement covers a specific topic between the two main bodies, the Executive Committee of the Histadrut and the Manufacturers' Association, and is valid for industry as a whole, including all its branches. It actually is private legislation, presenting a social framework for the whole economy. Such agreements were concluded for the Cost of Living Allowance accepted in every field of the national economy, for the Joint Production Committee, and for pension schemes in industry. They are not directly binding, containing no executive clauses or sanctions. They are meant as guidance and

recommendation, stating general principles which members of both bodies are expected to follow and observe. They are in fact widely observed and practiced and referred to in branch or single firm agreements.

The second type consists of branch agreements. These are concluded between the national trade union organized within the Histadrut and the branch organization of the Manufacturers' Association. They are supposed to be valid for a whole branch type of industry so far as it is organized by the two parties, labor and management. However, they are not automatically binding on every member of the Manufacturers' Association. Each member must express his acceptance, or his adherence to the agreement in writing, and only then is it binding for him. However, if he rejects the agreement, he will be deprived of the protection of the Manufacturers' Association should he come into conflict with his workers.

Cases of non-acceptance among the members of the Manufacturers' Association are very rare, but, of course, not all employers are in the Association which claims about 70-80 per cent of the employing force of the Israeli industry in all its various branches. The largest single firm in Israel, the textile firm *Ata* in Haifa, is not a member of the Association.

There are a number of such branch agreements in Israel. Seamen, civil employees in the Army, clerical workers, printers, metal workers, workers in the food industry, all have such agreements. However, they generally provide no more than a frame for single firm-agreements which are then entered into with each firm. Some national agreements provide only blanket terms to be filled in by individual agreements.

Although at present only a few industries have branch

agreements, the institution is spreading and there is a marked tendency to apply them more and more. From my questionnaire I could gather that practically all national unions prefer branch agreements to agreements with individual firms. Anyway, practically all the national unions, when asked whether they prefer national agreements to single agreements, stated clearly their preference for national agreements. The new Collective Agreements Law of 1956 also favors branch agreements, giving to the Minister of Labor far reaching rights for extending their provisions beyond the contracting parties, and make them legally binding for the whole line of industry or occupation involved.

Apart from branch agreements there are also more restricted agreements of the type called by the French *accord de salaire*, or wage agreements. They are especially frequent in the building industry and agriculture. To this type belong also branch memoranda dealing only with specific aspects of working conditions, especially concerning social benefits.

The wage agreements or branch memoranda are concluded mainly in such fields where the employers cannot accede to the principal demand of the Histadrut concerning hiring labor. The first provision of a collective agreement, and the first condition of a contractual relationship, is the employer's obligation to employ only labor through the Labor Exchange which means, in fact, organized labor. If the employers are unable or unwilling to undertake such an obligation, as is the case with farmers, a collective agreement cannot take place, and instead a wage agreement or a collective memorandum is signed.

However, in Israeli practice the most important agreements are single firm agreements. The partners to such an

agreement are the local firm on the one side, and on the other the Workers' Committee in the firm together with the local Labor Council. However, the real partner in such a case is the local Labor Council, and its policy will basically influence the contents of the agreement.

The agreement is in most cases concluded for a year or two, with a clause for an automatic continuation for another year, unless a month's notice before its termination is given.

Sometimes a single firm agreement in a small firm really is a collection of individual agreements. The names of the employees are listed one after the other. It is strange to read in a collective agreement specific provisions for the status and wage rates of individual employees.

Generally speaking all the agreements, including branch agreements, are not elaborate labor codes as in some industrial countries. They usually consist of a few pages, other aspects of working conditions being covered by legislation, or general nation-wide agreements previously mentioned. There are a number of labor matters already covered in labor legislation, such as working hours, overtime, holidays, women's work, youth work and apprenticeship, safety regulations and working conditions.

Most agreements contain provision about arbitration, the most common being what is called in Hebrew: *Zabla wezabla* which means that each side appoints one arbiter, and when these cannot agree they appoint a third, the decision of the latter being binding. Some collective agreements refer to the Arbitration Services of the Ministry of Labor.

There is also the stipulation that during the validity of the agreement no strikes or lockouts are allowed, if the agreement is respected by the employer.

An integral part of practically every collective agreement are the Union Security clauses. There are three kinds of such clauses of far reaching importance.

The first clause concerns the acceptance of new workers by the establishment. The employer pledges himself to hire workers only through the Labor Exchange which is in the hands of the Histadrut in co-operation with other Federations. Thus the firm can, in fact, engage only organized workers which therefore means a closed shop. Only certain higher skills are exempted and the provision is added that the employer is free to engage others, if the Labor Exchange does not send a suitable candidate within a specific time. For unskilled workers this is usually 48 hours, for skilled workers 72 hours or more. This is the most important provision and it appears as paragraph no. 1 in all collective agreements. If this provision cannot be accepted, then the collective agreement cannot be signed, and its place is taken by memoranda covering specific aspects of work.

The second pledge by the employer concerns the deduction of union dues. In most cases all the Histadrut dues *(mas ahid)* are deducted, and paid directly to the Histadrut. The Secretary of the Workers' Committee (the equivalent to the shopsteward in American or English practice) has nothing to do with the collection of union dues. They automatically go from the firm to the Histadrut, and there is a special department of the Histadrut dealing with it. Where other funds are created or when the Workers' Committee is engaged in activities which need funds, the employer is obliged to deduct the workers' contribution directly from their wages.

The third security clause concerns the status of the Workers' Committee. Together with the local Labor

Council or its local branch union, the Committee is recognized as the only representative of the workers entitled to present and deal with workers' grievances, to negotiate interpretation and execution of the agreement, and handle all rights of the workers. The right is granted to those Workers' Committees which have the approval of the local Labor Council. Whenever the Workers' Committee loses this approval, it ceases to exist legally, and it has no rights vis-à-vis the employer or the workers themselves.

Other important provisions are seniority clauses and clauses about dismissal and compensation. Practically every agreement contains a clause about the acceptance of temporary workers, the period of their trial, and their subsequent acceptance as permanent workers, and the terms of their dismissal. Stipulated also are the terms of dismissal of permanent workers, according to seniority, the terms under which they can be dismissed with the knowledge and approval of the Workers' Committee and Labor Council, or the Labor Exchange, severance allowance according to seniority and the method of its payment.

Then come regular clauses about working hours, shifts, overtime, wage rates according to skills and grades, bonuses, premiums, family allowance, holidays and vacations, social contributions of the employer and other working conditions.

Some collective agreements also include provisions safeguarding the employer's rights to manage his plant in all matters pertaining to production and some even include an appendix of working rules where disciplinary provisions play a big part.

The collective agreement is written in precise legal terms. It is interpreted strictly as a legal act. The Israeli worker is a born lawyer, and takes a contract very seriously, arguing about it with all the finesses of a legal mind. Whenever controversy starts, the contract is taken out, and examined and argued backwards and forwards. The contract, even if later regarded as unfair or out of date, is adhered to rigidly, primarily because it has the signature and backing of the local Labor Council. The workers in the establishment might want to do something in opposition, but the Labor Council, thinking of its prestige and the general labor policy of the Histadrut, adheres rigidly to the principle: *pacta sunt servanda.* The workers' complaint is ended with a simple argument: "That is the contract, and we can do nothing about it just now. Next year we will see."

Is the collective agreement legally binding? How far does it replace individual employment contracts? What are the sanctions?

It is accepted that collective agreements replace only those provisions of an individual employment contract which are less favorable to the worker. Its provisions enter the contents of an individual labor contract as implied terms of the contract. So the individual workers might have a claim against the employer based on his individual labor contract as amended by the terms of the collective agreement.

But the collective agreement does not create collective claims of or against groups of workers or employers. There is no legal responsibility of the Histadrut or the branch unions and its officers nor of workers collectively.

This situation is not basically changed with the new Collective Agreements Law. The requirements of registration with the Ministry of Labor is an innovation only in theory as in practice it was observed previously. The law aims at encouraging branch agreements covering a whole

branch of industry instead of single firm agreements, but it remains to be seen whether this tendency will prevail. The only important change is the granting to the Minister of Labor the power to extend the validity of collective agreements to a whole section of a particular industry binding those employees who have not signed the agreement.

It is often asked how a collective agreement affects the right of the employer to regulate matters not covered by the agreement. As already mentioned collective agreements are at present brief contracts and there are many matters left out. Has the employer the right to move freely in the fields not regulated?

There are two theories in this regard. One is that all rights not limited by the agreement are left to the discretion of management. The second theory states that once a collective agreement is signed, neither party is allowed to change anything concerning wages, hours or conditions of employment, in fact anything of basic concern to the worker.

In Israeli practice the second theory is assumed as valid. If, let us say, a free milk service was granted to the worker by management and was not included in the collective agreement, the employer is not allowed to withdraw it unilaterally stating that it was not in the agreement. Any established practice affecting the well-being of the worker must go on, unless both sides agree to a change. And it is certain that in any such case the employer would face a strike, even if his lawyer convinced the court of his client's legal right to make such a change.

2. Rationing of Employment

The point system in the distribution of employment is one of the most ingenious and original devices to the credit of the Israeli labor movement. I know of no other country with such a thorough, systematic and methodical way of dealing with the problem of the just distribution of employment opportunities. Employment opportunities in Israel are relatively scarce. They do not multiply at the same pace as the rapidly growing population. The labor market is overloaded, so obviously, if the employers had their way, the market would be the employers' market.

The plan for dealing with the problem of scarce employment is taken from food rationing. During the war food was rationed so that everybody had his fair share. The same applies to employment in Israel.

The analogy of labor rationing with food rationing goes even further. As in food rationing, there is a labor black market. The labor movement constantly wages a most determined and comprehensive struggle with labor black marketeering often by picketing establishments employing unorganized labor. However, as in food rationing, here too it meets only with a partial success. Large sections of the labor market in building, transport, crafts and especially in agriculture are still in the hands of unorganized labor. As blackmarketing in food rationing increases with the shortage of food so this blackmarketing increases with the severity of unemployment.

Another point: as with food rationing, there is no end to grumbling and grievances about employment rationing. The flood of grievances is especially strong concerning the

practices of the Labor Exchanges which attempt to be just, but are far from fair, in the eyes of those less fortunate in the game.

However, there are also basic differences between food rationing and labor rationing. Food rationing is administered by the State, while labor rationing is handled by the Labor Movement, namely the Histadrut in partnership with the three other smaller federations: *Hapoel Hamizrachi, Poalei Agudat Israel* and the National Workers' Federation *(Histadrut Haovdim Haleumim)*. Their main instruments are the Labor Exchanges *(Lishkot Avoda)*, and in 1956 there were 55 such exchanges with about 48 branch organizations. Direct management of the Labor Exchanges is under the control of a General Office composed of the representatives of all federated organizations under the supervision of the Ministry of Labor. About two-thirds of the budget is provided by the Ministry, the remainder being supplied by the labor organizations themselves. The strength of the representation of different labor organizations varies according to their strength in the areas concerned but generally speaking the Histadrut commands an average of approximately 80 per cent. The administration is most elaborate with supervisory committees for different functions, appeal committees, etc.

The rationing of employment is primarily intended for organized labor, i.e. for the members of these four organizations. They have set up this machinery in order to fight against unorganized labor and to promote the wellbeing of their members. Organized labor has the right to register and to apply for a job; other applicants, while not excluded, are asked to join one of the Labor Organizations. The machinery, it must be remembered was set up

primarily for placing members of the organized labor movement in an orderly and fair way and they pay for it to a certain extent. But the machinery has gradually extended its functions and responsibilities and it is hoped that in due time it will become an instrument of the State in the regulation of the labor market, with the collaboration of representatives of both sides, labor and employers.

The Labor Exchange as now operated is a powerful instrument for the effective propagation of organized labor, as every newcomer who wants to get a job, is expected to join one of the four labor federations. No pressure is exerted as to which federation he should join, as long as he joins one of them. If his membership has lapsed he must renew it. If he has no money, the Assistance Board *(Lishka Socialit)* may pay his arrears; if he is a newcomer he must join one of the Labor Federations and be given his grade and trade on the basis of available documents or an examination. If he belongs to the ranks of green and yellow labor, he must join. Will the Histadrut accept anyone? Yes, the ranks are open to anyone for whom there is the possibility of getting a job. A man unsuitable for work, or an unskilled laborer over the age of 55 seeking a job, would not be accepted as a new member. Consequently the Labor Exchange would refuse also the registration of such applicants for ordinary work, although they may register them for Public Works, which accept less suitable and elderly men at lower rates of pay.

Now we come to the point system itself. There are general and special point systems, or ordinary and extraordinary. The general ordinary point systems for getting a job consist of one for temporary work, another for a permanent job. A special point system exists for members

of the Kibbutzim looking for a job, either individually or collectively.

Extraordinary point systems are in operation for the following categories of workers:

1. New immigrants, for temporary work during their first three months in the country.
2. Ex-members of the armed forces during the first three months after their release.
3. Exceptional cases which are brought before the General Committee for consideration.

Here we are concerned only with the two general and ordinary point systems.

The most fundamental distinction is the one made between temporary work and permanent work. The by-laws of the Labor Exchanges strictly define what is meant by these two terms: any work in manufacturing or services, which has a chance to become permanent is so regarded, unless otherwise stated by the employer. Also seasonal employment which repeats year after year is regarded as permanent work. On the other hand, work is considered temporary in building, agriculture and public works (with a few exceptions when otherwise stated) and all jobs required for no more than three months.

There are no seniority rules for temporary work. Everyone has an equal right to get work of this class, whether veteran or newcomer. His place in the queue is determined primarily by the duration of his unemployment (what is called the "depth of unemployment") combined with his family responsibilities (the size of the family). Consequently his points are determined by these two considerations only.

The "depth of unemployment" is ascertained from the time he registered in an 18 month period; the longer he

is out of work the higher are his points. For every mouth to feed he also gets a point value up to maximum of seven children. For instance, a single man or married man without children gets one point, a married man with one child 1½ points, and so on, up to two points for a man with seven and more children. The statutes of the Labor Exchange include special tables by which the Labor Exchange officer can at once find the place of each candidate, according to the size of his family and the "depth" of his unemployment over a period of 18 months. For instance to pick a figure at random: a man with seven mouths to feed who in the last three months had 27 days of unemployment (consequently 64 days of employment—a month is counted as 25 days of work)—has a point value of 64, exactly the same as a man with 51 days of unemployment (consequently 32 days of employment) who however has only one or two mouths to feed.

Thus every employable applicant has the right to temporary work, according to these two principal criteria.

There is a constant rotation of employment for applicants in this category, and the policy is to ensure an equitable work quota, if possible to attain a minimum of 12 days' employment per month for all. The applicants in this class are constant clients of the Labor Exchange.

The point system for permanent work is built on entirely different criteria, so much so that it must be regarded as a completely different system which has very little to do with the first one. It introduces new concepts like seniority in terms of residence and work in Israel and seniority in the labor movement (in one of the federated organizations). Those with seniority of these two types have top seniority for permanent work—with the result

that in many places newcomers have no real chance of getting a permanent job.

In fact, the point system for permanent work is even more complicated. In detail it is built up on the following factors:

For each year of residence and work in Israel—one point.

For each year of membership in one of the labor organizations—half a point.

These points are increased for those who served in the Jewish units of the British Army or in the Israeli forces in the War of Liberation (1948-49).

For every mouth to feed including oneself—two points.

So let us say a single man (A) who can show ten years' of work in Israel and ten years of membership in the Histadrut would have 17 points, while a married man (B) with two children, after one year in Israel and in the Histadrut would have 9½ points. So B would have no chance of getting a permanent job while competing with A. These universal concepts of seniority in Israel and seniority in the labor movement create a whole series of privileged groups of workers.

Now a few words about the process of registration and the allotment of work to the applicants.

Everyone is registered in his trade and his grade. The grade is given by the union on the basis of documents or examinations held by the union. A man is expected to accept the job offered in his trade and grade, and if he refuses without valid reasons, he is struck from the lists of the Labor Exchange for a time corresponding to the duration of the job offered. His place in the queue is

within his trade and grade. He is not expected to lower his grade in order to get a job, as some men might do.

When registered, a manual worker is expected to appear at the Labor Exchange once a day, and a clerical man three times a week during ordinary working hours, between 9 A.M. and 1 P.M. The officers of the Exchanges complain about a considerable amount of parasitism linked with the system of registration. Some, temporarily employed, register in order to save in taxes, or to get social benefits, or to bypass others in the labor queue when the next round of unemployment comes.

The officers in the Exchanges know their clients well, and can tell the shirkers from the real applicants. Difficult cases are considered with special care periodically. After a half-a-year of persistent unemployment, the case comes up for consideration by the Supervisory Committee of the Labor Exchange and some men are struck from the list, and transferred to the Assistance Board. The Labor Exchanges are not meant to be an Assistance Board and they deal only with the cases of those who have a real chance to be placed.

An applicant who is sent to the prospective employer receives a card and a copy goes to the Workers' Committee in the place. He is expected to report back about the result of his interview with the employer. Only one man is sent at a time for a vacancy. If the man is turned down, the Labor Exchange expects a report from the employer on the reason.

For temporary and unskilled jobs collective cards are often sent to the employers. If an employer needs ten unskilled men, he gets them with one accompanying letter. The jobs for temporary unskilled work are usually alloted in the afternoon in a summary fashion, often without re-

gard to the place in the queue. When for instance there are 15 vacancies for building available, and 25 applicants are gathered in the office of the Exchange, no point system need be applied. Some men would be unsuitable for certain types of work, some would not care for them, some prefer to wait for other opportunities. I have witnessed such a situation in the Labor Exchange in Jerusalem. Men from Morocco did not want to work for Kurdish contractors. Some heard that soon other work of longer duration will be available, and they were afraid of losing their opportunities for such work by accepting a job of short duration. Some expected to get a job on the next day from Solel Boneh. So there was no need to apply a point system. Only when the ratio of vacancies to men oversteps the 1:2 or 1:3 mark, is there need to apply the point system. But the point system is generally speaking applied with humane consideration and with a personal knowledge of the applicants, which further helps to mitigate its severity.

By and large, employers do not complain about the principle of exclusive engagement through Labor Exchanges, but they often do about its application in practice. Often the Labor Exchange has no suitable candidates, or the candidates are sent with regard to social priorities and the procedure is cumbersome and time consuming. Employers argue the need to have their own representatives in the administration of the Labor Exchanges, and about the need for greater efficiency in running this service.

However, it would be wrong to assume that in practice all workers are engaged through the services of the Labor Exchange. From my questionnaire (on works satisfaction) answered by 54 men at random, I gathered that only 22

received their jobs through Labor Exchanges, while 17 came through their friends, 11 through other means (some openly recorded *protektzia*), with four not answering.

This proves that the system is far from 100 per cent effective, and life itself finds its own way of correcting the rigid system of labor allocation.

3. Job Security and the System of Discharges

Together with union security clauses, job security clauses in collective agreements form the very foundation of working conditions in Israel. Actually both merge into one, as the system of engagement of workers through the Labor Exchanges is closely linked with a similar system of discharges.

The worker in Israel has achieved a very high degree of job security, perhaps greater than in any other country as far as I know. Job security has turned the job into a sort of property with both good and bad effects on labor mobility, productivity and labor relations.

As job security is actually a cornerstone of Israeli labor economics and labor relations, let us first describe it in some detail.

The worker is first hired for a trial period. The period is stated in the collective agreement, and in most cases it is about three months. Sometimes it may reach six months, and in exceptional cases it can be as high as one year or even more. The period can be extended or renewed with the permission of the Workers' Committee. However, one hears often of a trick used to extend this period by firing

the worker for a day after three months. Once every three months the worker is dismissed for a day, coming back to his job the day after, and this process goes on for a long time fulfilling the contractual requirements. In this way a staff of temporary workers is held permanently.

I have met quite a number of men who have been temporary for several years, for instance up to six years, in the municipality of Jerusalem, while others doing the same kind of work were permanent and getting paid about 40 per cent more.

During the trial period the worker can be dismissed without the employers having to state any reason. This period is usually divided into two: one shorter which runs about two to four weeks, in which the employer can dismiss the worker instantly; and another, longer, which covers the remainder of the trial period in which he is obliged to give a short notice of 48 to 72 hours.

After a shorter or longer trial period the worker moves into the category of permanent staff. In some places this is an automatic process which entails no further act on the part of the management, in other places it is undertaken with the consultation of the Workers' Committee. The Workers' Committee may object to permanency stating that the worker is unsuitable for permanent staff, because of his social or trade union disabilities, or as he is unwilling to join the union.

After reaching the status of permanency, the worker assumes his full rights as a member of the organized workers' community, including the most precious right in Israel: job security.

The right of the employer to dismiss a worker is circumscribed by many rules. The dismissal of a permanent worker is allowed only if (1) a sufficient reason for his

dismissal is shown; (2) after consultation with and approval of the workers' representatives; (3) with full observance of his seniority, and with proper rights of reinstatement in certain cases; (4) after proper notice is served; and (5) with full payment of discharge indemnity *(pitzuyim)*.

A distinction is made between ordinary and extra-ordinary discharges.

By ordinary discharges are meant discharges due to a labor surplus. This surplus is regarded as sufficient cause of dismissal, if attested and approved by the workers' representatives.

The labor surplus must be of a more or less permanent character, not a passing affair. In many cases the employer prepares a list of positions in different departments, in terms of grades and skills, which are superfluous, while the actual names of workers are fixed with the agreement of workers' representatives. Usually bargaining takes place, and a compromise is reached between the needs of the establishment and the social needs of the staff, as well as the priority rights of the workers as established in the point system for ordinary discharges.

This point system is based on three kinds of seniority:

1. Seniority in the workplace.
2. Seniority of work in Israel.
3. Seniority in the labor movement together with the rights of veterans of the armed forces.

The most important seniority is the first, and the principle "last in, first out" is the major one in discharges. However, this seniority is modified by the two other categories. The two other seniorities operate within the seniority of the workplace, i.e. within the groups of men according to the year in which they entered the place. All employees

in a certain establishment are divided into special groups: those who were engaged by the establishment in the last calendar year form the first group; those engaged in the last two years previous to that form the second group; and so on for each two years of additional service. Within each of these groups men with seniority of work in Israel and seniority in the labor movement have priority, so that the first to be discharged will be those with the lowest priority in the first group. Conversely, within a group the point system for getting permanent work as described in the preceding chapter is applied with small modifications.

Seniority applies to the whole workplace, not by departments, and this often leads to the necessity of discharging valuable men in busy departments and replacing them by men from other departments directly affected by a labor surplus, a complaint I often heard from employers.

In the process of ordinary dismissal the employer is denied the right to weed out the less efficient workers in order to improve the quality of his staff. The worker often says: "The employer had had time enough in the trial period to choose his staff in the way he wanted, and if the worker passed this trial, and was good enough during all that time why should he be not good enough later on? This principle must be applied to avoid favoritism by the employer as well as bidding on the workers' side for favors of the supervisors."

The workers' representatives who approve the list of dismissals are the Workers' Committee in the establishment, the local Labor Council and frequently also the Labor Exchange. Even in cases when the Labor Exchange is not directly consulted, the list of dismissals goes to the Labor Exchange, which has the right of protest. Not in-

frequently I heard of cases of reinstatement of workers as the result of Labor Exchange intervention.

Now we come to extra-ordinary discharges. Those are discharges due to personal reasons affecting the workers, such as:

a. health
b. unsatisfactory service, like persistent laziness, absenteeism, breech of discipline
c. misconduct (fraud, stealing, etc.).

In cases of unsatisfactory service a special procedure is prescribed, with two or sometimes three warnings in writing, and with a proper time for improvement granted—all with the prior knowledge of the Workers' Committee or its active participation.

In cases of misconduct *in flagranti* the management has the right to discharge without prior reference to the Workers' Committee but the latter must be informed immediately.

The terms of notice which are to be given to the worker vary with the time of service. Usually, after six months of permanent service a minimum of six days' notice is required, and after a year 12 days. The same applies to workers who want to leave. In some places a fortnight's notice for daily workers and a month notice for monthly paid workers is required.

The dismissed worker retains the right to re-employment, if the establishment again expands its staff. This right is retained during the first six months after discharge, or even longer according to the length of previous service. The reinstated worker regains his priority rights in the establishment. This right of the worker to return again to his place of work makes sure that ordinary dis-

charges will not be used for reasons other than actual work shortage.

Now we come to the severance allowance which plays such a big role in Israeli labor relations. Severance is paid in every case of labor surplus and in cases of discharge for health reasons, but in cases of discharge because of unsatisfactory service or misconduct severance is refused.

Severance for manual workers is equivalent to 12 days' wages per year, or one day's wage for each month, but in some places the rates go up with the length of service. For instance in the first year of service it amounts to 12 days' pay per year; in the next five to ten years to 24 days' pay; and for each subsequent year a full month (i.e. 26 days' pay). The clerical worker often has the highest rate of 26 days per year. Severance is paid at once with the last wage payment if the worker gives up his rights of re-employment, otherwise the indemnity may be paid about six weeks after the discharge.

Severance fulfills several functions:

1. It protects the worker against unjustified or arbitrary dismissal.

2. It gives him breathing space for looking for another job. There are no unemployment benefits in Israel, so these discharge payments are a substitute for those benefits.

3. In later years it is also a substitute for old age pension. However, old age pension is now provided by industry according to the general agreement concluded by the Histadrut and the Manufacturers' Association. The agreement provides that those who will receive pensions will have no right to claim the severance pay.

4. Severance is often used for setting up small workshops or shops.

The actual practice of discharge differs from place to

place. In some places the practice is reasonable, and no damage is caused; in some other places it is carried out in such a way that it becomes a most serious handicap to productivity and development. Bargaining for dismissal of workers in case of labor surplus drags on for months without producing much result, and the discouraged management gives up, acquiescing in the situation. The places in which the control of discharges is practised in an unreasonable way, blocking the way to progress, are not few in number, and in my investigation I met several such cases. Those included not only the Histadrut owned places but also many private establishments. In more than one establishment I heard the story: "We could easily produce the same output with a much smaller staff." In some Histadrut owned places the figure of workers who are actually surplus was stated to be as high as 25 per cent.

In one factory the management contended: "You ask me about productivity. Don't you know the real conditions? What is the use of improving productivity, if I can't get rid of the extra workers? I could easily raise productivity by 30 per cent, but I have no expanding market, and I can't transfer workers to other departments. I had a strike last year, because I wanted to get rid of a girl typist, and I had to take her back."

The discharge of older workers becomes increasingly difficult, for obvious reasons. A worker over 40 who loses his job will not be able to find any other work under present conditions. Work is scarce, and the worker's struggle to retain his place is really a struggle for a basic livelihood. The whole system of the control of discharges can be understood properly, if one realizes the scarcity of jobs, especially for older men who have passed the prime of life.

Also discharge in case of unsatisfactory service is often opposed by the Workers' Committee in such a way, as to preclude any sanctions against workers who wilfully neglect their duties. There will always be a group of workers who flout discipline and are guilty of negligence if they can get away with it. "It is extremely difficult," I was told, "to tell where ill health or lack of strength ends and laziness starts. A man who says that he can't do better, that he is not strong enough, will get away with it as long as he persists. In our climate a certain tolerance must be granted."

"It is most difficult," complained a foreman, "to discharge anyone, even the most persistent lazybones, and not only because of the intervention of the Workers' Committee. Some one from the town will come along, his wife and his children, his friends and party members, or Assistance Boards and Welfare Institutions, and will appeal to your conscience. 'Can you take it on your conscience to deprive a Jew of his livelihood?' they ask."

Now what about the effects of severance pay?

Severance makes the job a valuable possession which cannot be given up lightly. So it tends to cut down the rate of labor turnover. In fact the turnover of permanent workers is generally very small. But that very positive achievement is not without anomalies.

The worker often clings to his place of work, although he is dissatisfied with the job or the place. So he is actually deprived of his liberty of movement, not from outside but from within.

Where the worker has accumulated a considerable amount in severance rights, and he wants to use it to become independent, or to buy a flat of his own *(shikun)*, or a refrigerator, he may try to get the money, making

himself obnoxious to his employer, while no formal charge can be raised against him. There are a hundred and one ways of persuading the employer that it is worthwhile to get rid of him. Such cases are few in number but still they may be a nuisance.

On the employer's side the main anomaly occurs if the employer has to keep his worker because he cannot afford to pay the severance. The employer is supposed to deposit the severance pay week per week or month per month into a special fund, The Provident Fund *(Kuppat Tagmulin)*, but in fact in many cases he does not and uses the money for his own business. He cannot afford to let the money lay waste while he pays 15-20 per cent in interest rates and cannot even get credit. So when bad times start and he needs to cut down on his staff, he is in a bad way, not having the money for the discharge of his workers. There is a joke current that some places continue to run because the employer does not have money to pay his employees their severance, but there is more than a grain of truth in it. The employer may stave off the time of dismissals because of this, thus gravely affecting his chances of recovery later on.

He may also need to keep the least efficient workers for no other reason than to avoid the large severance he has to pay them. So he makes a simple calculation: "Even if I lose 20 per cent on the efficiency of the workers, I would not recover the severance in two years' time."

These anomalies are not only infrequent, but they occur, when they do, in unhealthy enterprises or those with unhealthy labor relations. Employment, as far as a permanent contract is concerned, assumes some aspects of a marriage. The marriage can be dissolved and the divorce granted, but the procedure is not easy; it is cumbersome,

it causes annoyance, and it costs a great deal of money.

In one factory in Jerusalem, a man was introduced to me with these words: "This man can leave this place only after the owner himself goes. The owner would have to pay him so much money that it would not be worth his while to do so. Besides, he could dismiss him only after he has dismissed all other workers. He is here 14 years and has the top seniority in the place."

So the employer must be careful in engaging a new worker on a permanent basis. And in fact he is. In this he is often supported by the permanent staff. The permanent staff is not adverse to having a "permanent" staff of temporary workers in the place, because this provides a cushion which absorbs the first shock of unemployment when it comes. The temporary workers are the first victims of any reduction in employment which may prove necessary. When, for example, 10 per cent of the staff are temporary workers, and the reduction needed is 10 per cent or less, the permanent workers are safe. But where no temporary workers are available, the permanent staff is directly affected by the threat of discharges. So the temporary workers are a sort of scapegoat, and in many places very little is done to preserve or further their rights.

4. The Wage System

In monetary terms the general wage level compares favorably with the English level. In construction a laborer of the lowest grade (December, 1955) had a rate of IL 7.590 a day, and a craftsman of the highest grade IL 9.140,

which means in pound sterling between £9/2 to £11. a week. These rates are more or less on the level of British buildings workers.[1]

In agriculture the official daily rate of farm laborers (in mid 1955) amounted to IL 5.456, which would mean in pound sterling about £6/10 a week, more or less on the level of a British farm laborer. However, many farm laborers in Israel work for less than the official rate, and rarely full time.

In industry the rates vary greatly, but total weekly earnings (including overtime, etc.) in November 1954[2] for almost 60 per cent of all male workers were between IL 36 and IL 58 a week, and for almost 25 per cent of workers still higher. This means that 85 per cent of all industrial workers earn at least in pound sterling £7/0/0 a week.

In real terms (in purchasing power) the standard of wages would be a little lower than that of British workers, but the comparison is difficult as the pattern of consumer wants and needs is so different, and the whole style and way of life of a subtropical country is far from those of Britain.

According to an estimate for 1952-1953 by the Institute for Economic and Social Research of the Histadrut, the following is the buying power of the wages of industrial workers as compared with those of England:

Working hours needed to buy:

	Bread in kilograms	Margarine	Milk in litres	Eggs in dozens	Sugar in kilograms
Israel	0.26	0.77	0.27	0.160	0.20
England	0.23	0.89	0.29	0.121	0.39

[1] The average weekly earnings of men (over 21 years of age) in building and contracting in Britain, including overtime, were (April 1955) £10/14/1.

[2] According to the Census of Wages (1953-1954) done by the Central Office of Statistics.

Another estimate for summer 1954 gives very similar comparative figures.

	White bread in klg.	Milk in litres	Cigarettes
Israel	3.8	3.9	46
England	4.4	3.4	27

We can see that this basically underdeveloped country in the Middle East has reached a standard of living for its labor force nearly on a par with Britain. This is more striking if we consider the labor situation of close neighbors of Israel. An hour of work of an Egyptian worker would bring only 0.8 klg. of bread, while in Israel it is 3.8 klg., and in Egypt 0.9 litres of milk, while in Israel 3.9.

The Israeli worker has secured for himself a high standard of living partly due to the fact that he had been used to a high standard of living in his country of origin, being mainly recruited from the middle classes. So he battled strongly to reconstruct and recover his previous standard. This is especially true of the European worker who leads the labor movement.

Now let us look at the makeup of the wage rates. Wage rates of manual workers are, in most cases, related to hours of work, or days; only a small minority of manual labor, with very high seniority, has secured monthly pay basis. The clerical, technical and supervisory staff is on a monthly basis.

The wage is divided into several items:

a. basic wage,
b. cost of living allowance,
c. family allowance,
d. seniority allowance,
e. incentive bonus,

f. employers' social contribution, and
g. overtime.

The range of basic wages is relatively small. In November 1954 about 18 per cent of all male workers received basic wages up to IL 80 a month, 62 per cent between IL 80-125, and only 20 per cent above IL 125.

Of the female workers only 40 per cent received basic wages in the IL 80-125 bracket, and 56 per cent at lower rates.

The range of wages between the top and bottom grades of manual workers is only a little smaller than exists in England. The great differences occur in the salaried grades of technical, managerial and scientific staff, which in Israel are on a level very little higher than that of skilled workers.

The cost of living allowance plays an increasing role amounting in 1956 to about 50 per cent of total wages or more. The cost of living allowance exceeds the basic wage by a good margin especially in lower wage groups.

In the building industry the standard wage of unskilled laborers amounted to IL 3.230, while the cost of living allowance was IL 4.360; in the highest rank of skilled craftsmen the two portions were IL 4.380 and IL 4.700. At present, the cost of living allowance is granted every three months on the first IL 125 of the basic wage, if the cost of living index (compiled by the Central Office of Statistics) moves up for the preceding month at least three points.

Family allowances vary from industry to industry, and from firm to firm, ranging in from about 1½ to 3½ per cent of the total wage. It reaches the highest level in Histadrut owned industry. It is graded according to the size of the family. To give a concrete example from a

collective agreement in a food industry, it is, for the wife (provided that she herself is not employed) IL 3.500 a month; IL 2.500 for the first child; IL 1. for each subsequent child up to the maximum of IL 8. a month.

A seniority allowance, while it is in general frequently granted, is more frequent in the public sector, less frequent in the private sector. It rarely reaches more than 2 to 3 per cent of the total wage.

Now we come to the incentive bonus. It is estimated that in industry about 30 per cent of the men work on an incentive system, including piece work and premium bonus. The range of bonus earnings varies greatly from industry to industry, from plant to plant, and from worker to worker. But the average is in the range between 10-20 per cent of the wage. In December 1953 the share of the incentive premium in the total average wage of male workers in industry amounted to 5.6 per cent.

As to social benefits, these include a number of items, such as employer's contribution to social insurance schemes of a national character, to special insurance schemes of the Histadrut or local pension schemes, and diverse social benefits, such as paid holidays and vacations, paid sick leave, maternity leave, severance allowance, canteen, clothing or transport allowances, etc.

These contributions vary from industry to industry. They are the smallest in agriculture and building, highest in Histadrut industry, and in a few industries such as the metal industry, food and textile industry, and printing.

Social benefits for the agricultural laborer amount to about 14.1 per cent of wages. In construction they reach about 17½ per cent. In industry, for the temporary worker, about 12 per cent. In private industry for the permanent worker the social benefits amount to 25-30

per cent, while in the public and Histadrut sector they reach the figure of 30 to 40 per cent. The Institution for Economic and Social Research of the Histadrut together with the Economic Advisory Bureau of the Government (the so called Gross Committee) came to the conclusion that in two main industries, the metal and the weaving industries, the social benefits amount to about 25 per cent of the total wage bill. In the United States in the metal industry it is 16 per cent, and in weaving 10 per cent; in England it is 9 per cent and 10 per cent, in France, 31 per cent each, in Holland 22 per cent.

Now we come to overtime pay. Overtime rates usually amount to 125 per cent of the standard wage for the first two hours, and 150 per cent for work in excess of the first two hours. However, there are groups of workers such as printers who have secured 150 per cent rates for all overtime, starting with the first hour. The rates for night shift depend on the character of the industry or trade, and vary from 125 per cent to 175 per cent of the standard wage. Overtime rates for rest days and designated holidays vary between 150 and 175 per cent of the standard wage, the average is about 150 per cent. The share of overtime pay in the total average wage of male workers in industry in December 1953 was 6.1 per cent.[1]

The problem of wage differentials is a very big and vexing problem both in Israeli industry and even more so in Israel society at large.

There are all sorts of wage differentials, age, sex and

[1] Granting of overtime work was reported by many managers as an important incentive for workers. In my questionnaire answered by 54 men, 24 said they do not like overtime, 22 answered that they like it, while eight gave no clear or definite answer. Considering the relatively long standard hours and the conditions of the Israel climate, a 40 per cent positive answer is a high percentage.

skill differentials, differentials between industry and industry, locality and locality, between jobs requiring different physical effort, etc. One general remark can be made about all of them. They were greater before the big inflation started, and they came down considerably under the effect of the system of cost of living allowances.

Differentials in the basic wage are much greater than the differentials in total wages, as the cost of living allowance operated at first only on IL 80, and now on IL 125, of the basic wage.

The sex differentials in basic wage rates amount to about 30 per cent or more, and we dealt with them in another context.

Another differential is based on age. Wage rates of a boy of 14 often amounted to 25-30 per cent of the ordinary wage, and they go up with every year of age. The census of wage earnings of 1954 showed that adolescents' (boys up to 18) earnings average in the neighborhood of about 42 per cent of those of adults. Characteristically enough, the differential is smaller in girls' wages than in boys' wages. Girls up to 18 years earn about 77 per cent of women's adult wages.

As to regions, the highest rates (per hour) are paid in the Haifa region, the lowest in Jerusalem. Tel Aviv occupies the middle position between the two.

As to industries, the lowest rates (per hour) are paid in agriculture, then in manufacturing, then construction and building. Highest wage rates are paid in transport. In manufacturing there are some industries which lead in offering the highest wage rates, for example the quarry, cement, diamond, and textile industry. However, the differentials between industries are not very great, amounting to no more than 20 per cent.

What about skill differentials, or the premium for skill? The total range of differences, if we include professional, technical and clerical staffs, is small, much smaller than in many other countries. A professional man, a doctor, a production engineer, a manager, a high civil servant or a university professor, earns only 60 to 100 per cent more than an unskilled laborer in industry. But wage differentials among the manual workers themselves, are not very much below those of an industrial country. True, Israel is not an industrial country and while the demand for skills in Israel is very high indeed, the supply is low. What we can safely say is that the premium for skill does not reflect the actual position on the labor market.

The premium for skill in construction in 1946 was between the top and bottom grades 32.5 per cent, while in 1955 it went down to 17 per cent. And the same is more or less true in the metallurgical and in many other industries. The premium now is close to the level of British industry.

But although the difference between top and bottom is small, the grades and rungs in the ladder of wages are very numerous indeed. And that is another characteristic feature of the Israeli wage system, to which we have already referred.

Grades are often related to the time of service without any regard to skill, based on the principle of automatic promotion. In this way another form of seniority bonus is introduced. By this procedure the range of basic rates may be made larger, amounting to 50 per cent or more. In a collective agreement for a food processing industry the range in basic rates for men is in the neighborhood of 45 per cent. It starts with IL 2.040 in the first six months of service, and it reaches IL 2.900 after ten years' of service.

In Histadrut industry this automatic promotion is very much practised.

The premium for different conditions, or for extra effort required in specific jobs, is also small, and often even negative, as those jobs are mostly filled by temporary unskilled laborers, who crowd the offices of the Labor Exchanges.

The system of job evaluation according to requirements, conditions, skill, responsibility, etc. is practically foreign to Israel industry, and the Histadrut itself does not favor such methods of job evaluation. To my knowledge, only one or two firms, one in Hedera, and, to a smaller extent, one in Naharia, managed to introduce job evaluation.

Reviewing the wage system in Israel, we can state:

1. The whole system of wage differentials is haphazard, and it lacks either the logic of job evaluation or the logic of the labor market requirements.

2. The automatic elements of the wage system, like cost of living allowance, automatic rise in grade, social benefits, family and seniority allowance, etc. make up a very big part in the total wage.

3. There is the need for a thorough revision of the whole wage system with a greater emphasis on the needs of production, and greater elasticity as far as the needs of different industries are concerned. Wage decisions are too politically influenced. A general freeze of wages is succeeded by a general rise of wages, without any regard to industrial needs and profitability. By and large the whole wage system is too rigid and too all embracing.

4. However, the villain of the piece is the cost of living allowance, which is given automatically and uniformly in all industries and all branches of the national economy. It

is a factor of considerable inflationary pressure at times, and it distorts constantly the structure of costs and prices, weighing heavily on those industries with a higher percentage of labor costs. To quote figures from my questionnaire on productivity: A rubber tire factory reported 20.4 per cent of total costs as labor costs, while in a ceramics factory it was 55.11 per cent, and for an electrical firm 60 per cent. For the first factory a ten per cent increase in wages means a rise in total costs of two per cent, for the second factory –five and one-half per cent, for the third–six per cent. The third factory is three times as hard hit by the impact of the cost of living allowance as the first. This constantly distorts the profit margin, as well as the cost and price structure and is a real danger to the prospects of survival of some firms in times of inflationary pressure.

5. Hours of Work and Absenteeism

The general law of May 22, 1951, concerning hours of work provides for an eight hour day and a 47 hour week. On days before Saturdays and statutory holidays only seven hours are worked. The weekend rest should be at least for 36 continuous hours. The law provides also for minimum overtime rates, 1¼ of the ordinary rate for the first two hours and 1½ for the remainder. For working overtime, apart from some general exemptions, the permission of the Ministry of Labor is required. The law provides also for rest pauses during the day. In a normal day total rest pauses of at least ¾ of an hour are required, and

these are not included in the hours of work. One continuous rest pause must be at least half an hour.

Most collective agreements keep to the provisions of this law. However, there are important exceptions for some industries and some groups of employees. In the printing industry, for instance, the hours for compositors and most productive workers on machines are fixed in the three shifts as follows: first shift seven hours, second six-and-a-half, third six hours, Saturdays five hours. Generally speaking in shiftwork all through industry hours are fixed as follows: seven-and-a-half hours for the second shift (with payment for eight hours), and six-and-a-half hours for nightshift (with full payment).

The usual hours for a clerical man in industry and trade are 45 hours, i.e. eight hours a day for five days, and five hours on Friday, or 44 or 45 hours in winter and 42 or 41 hours in summer. For the technical staff in the workshop the hours are the same as for manual workers.

The standard hours for clerical staff in Government and public service or semi-public institutions are 43 hours in winter and 42 hours in summer.

A very common stipulation in collective agreements is to reduce the hours of work from seven to six on the eve of two, sometimes three, principal holidays, like the eve of the Day of Atonement *(Yom Kippur)*, New Year *(Rosh Hashana)*, or Passover *(Pesah)* with full payment (for eight hours).

Festivals and official holidays usually range between 7-11 days. However, the most frequent arrangement is eight days (with full pay) as follows: New Year, the Day of Atonement, two days of Tabernacles *(Sukkot)*, two days of Passover, one day of Pentecost *(Shavuot)*, one Independence Day. But some collective agreements include also

other festivals. The Jewish Agency, for instance, grants also one day of Purim and the Fast of the Ninth of Ab. The employees are also free to take the day off on the first of May.

The minimum annual leave to which every worker is entitled after a year's (actually 200 days') service according to the law of 1951, is a fortnight (actually 12 fully paid work days). However, many groups of employees in many industries have secured better terms, grading the extent of annual leave according to the length of service and status. Most collective agreements provide for additional leave up to 18 days, according to the length of service for day workers. The collective agreement for metallurgical and kindred industry which covers about 35,000 workers provides for a holiday up to 18 working days after seven years' service. Some collective agreements, especially in Histadrut owned industry, go further than that, up to 25 days. The length of annual holidays for clerical and other staff is graded according to grades up to 26 days or four weeks.

In some agreements provision for annual holidays is made jointly with paid sick leave and a quota is fixed which covers both annual leave and sick leave in such a way that any excess of sick leave is deducted from annual leave, or vice versa. If sick leave is not fully taken, the remaining days are added to the annual vacation. Such for instance is the arrangement in the big transport co-operatives Eshed (42 days) and Dan (45 days).

In Histadrut industry or in public service an annual quota for sick leave is a common practice and the complaint is often heard that the quota is regarded as man's right to use or abuse by taking advantage to the full whether sick or not.

This is the legal or contractual framework which determines the standard of potential hours of work. Now let us examine the actual standard hours of work and the actual overtime worked in industry.

According to an inquiry conducted by the Central Office of Statistics in November 1954, the actual standard working hours in the manufacturing industry, amounted on the average to 43.7 per week for male daily workers, 43.4 for female daily workers. Actual overtime hours worked amounted to 2.0 per week for men and 0.2 for women.

For workers on incentive schemes both standard hours and overtime hours were higher, amounting to 44.3 for male daily workers and 43.9 for women, with 2.2 hours overtime for men and 0.7 for women.

From this it follows that the Israeli worker in manufacturing works longer hours than his opposite number in the United States who in 1953 worked 40.5 hours, but less than the West German worker (47.9 hours) or the English worker (45.9), and is more or less on the same level as the French worker (44 hours).[1]

However, the figures of actual working hours in Israel quoted above do not reflect the incidence of illness, wilful absenteeism, accidents, service in the forces, or annual vacations.

What is the position in this regard?

Unfortunately we have no general study or statistics available for industry as a whole based on these categories. From my own experience based on the reports during my visits in workplaces and from my questionnaire on productivity, I would say that absenteeism from all causes including accidents, illness, service in the forces and vacations amounted on the average to about 9 to 11 per cent of all working days.

[1] See: *Yearbook of Labor Statistics 1954*. International Labor Office.

On the whole, wilful absenteeism was reported as low. This is an amazing achievement considering that the population is new to industrial ways and not used to industrial discipline. In many places there was practically no wilful absenteeism, although it may have been disguised by seemingly legitimate excuses. The absenteeism due to illness varied greatly, it could be as low as 1.2 per cent, and as high as 4.7 per cent and even more. It was higher between seasons; where workers were recruited from *ma'abarot* the incidence of sickness was higher. Colds in winter and diarrhea or stomach troubles in summer were the main causes of sick absenteeism.

The loss of working hours due to accidents was by and large very high, and I deal with it in a separate chapter.

Losses due to military service varied according to the composition of the working population as regards sex and age. Of course, no one complained about the loss due to military service itself in the face of the national emergency. Only seasonal industries, and most Israel industries have a seasonal trend, complained that their seasonal requirements are not respected, key men often being called up in the best season, with paralyzing effect on output. In such a case the whole season is being lost to the firm.

As regards losses through bad time keeping or through unauthorized rest periods, I have not heard many complaints. I examined the clocking in and clocking out records, and found that the time keeping is fairly good; the Israeli worker is much concerned about earning money, and lost time would be deducted from his pay, often "with a vengeance." But I heard many complaints about not starting working on time, or finishing working before the

whistle blows, or arranging unofficial stoppages of work, so that at least ½ hour a day, or sometimes up to ¾ of an hour, may be lost in this way. The loss is especially severe on Fridays and on the eve of a holiday.

This brings up an interesting point. Are the standard hours in Israel the optimum hours from the point of view of production? Or in other words could the Israeli worker produce more by working fewer hours a day? This question can be answered only by actual experiments, and I hardly think that there can be a general answer to this problem for all kinds of work, all seasons and all types of men.

If work is done on automatic machines with little interference by the worker, the output may be proportional to hours worked, if we disregard the effect of long hours on the health and mind of the worker. In light work the position may be different.

But it is my contention, based on actual observation backed by many discussions with both foremen and workers, that the standard hours for most types of work, especially for heavier type and more so for girls, are too long, being actually above the optimum hours. The curve of output per hour is very uneven, and drops considerably in the afternoon. Detailed figures of actual performances given to me by a number of workers and carefully analyzed hour by hour indicate that the reduction of standard hours to, let us say, 7½ hours a day, could actually improve productivity, especially in heavy and medium heavy type work. It would cut down the rate of accidents and sickness absenteeism, and absenteeism all round. For the Israeli worker, especially if he comes from Europe, the hours in my view are too long, wearing him out unreasonably without sufficient compensation in national output.

In my view, the norms of output could be raised and the time could be shortened. Anyway, it would be worthwhile to inaugurate experiments under strict control concerning optimum hours for different jobs in the various seasons.

6. Strikes and Other Labor Disputes

The right to strike is regarded in Israel as a fundamental human right. Even in national emergency this right is not disputed. Everyone has the right to fight for his proper place in society, for his own betterment. The right to strike is exercised in the most unexpected quarters. Not only employees use the strike weapon, but also independent artisans, and even cinema-owners and shopkeepers against the tax system or government policy. The unemployed stage a hunger strike or blockade the offices of a Mayor or the Labor Exchange. Those who have complaints against the Jewish Agency, or a Town Council, stage all sorts of ingenious strikes. A young man staged a hunger strike against the existing marriage laws.

There are real curiosities as, for instance, a strike of school children against some arrangements in the school, or the dismissal of a teacher, or the strike of students of the Hebrew University against raising of tuition fees, or the strike of students of the Haifa Technion against the system of examination, or of scholars of a Talmud Torah against their small allowances, or the strike of blind men or other needy persons against small assistance. Moreover, groups of people who in other societies are usually regarded as the guardians of law and order, use the strike

weapon quite freely. Members of high courts, justices and legal advisers went on strike in 1955. The whole academic profession, including lecturers and professors struck twice in 1955/56. Supervisory and managerial staff were also striking at that time. Also doctors employed in the Kuppat Holim clinics and hospitals, or in Government and other public service struck, attending only emergency cases.

The writer, as a member of the staff of the Hebrew University struck twice in 1955 and 1956; in 1954 he was in a "lockout" caused by the students' strike. It was quite an experience to walk into a Government office and find everybody but the Director General on strike; or to enter a court of law and find the clerks and secretaries on strike.

In fact, it is one of the characteristics of the Israeli scene that staff people use the strike weapon more freely than wage earners, and that members of the technical and professional staff use it more than other salary earners. This situation was, of course, conditioned by their grievances against the egalitarian wage policy of the Histadrut, and by the greater autonomy of their organization vis-à-vis the general body of the Histadrut. While the Histadrut is quite successful in disciplining the wage earner, it exerts little discipline over the white collar worker, and even less over professional staff.

The armory of strike weapons is very rich and varied. All the paraphernalia of strikes known in most countries of the world are used. There are sit down strikes, not only of workers in the factory, but also of "clients" in Labor Exchanges, or in the offices of a Town Council. Picketing, mostly done by Labor Exchanges against the employment of unorganized labor, is regarded as lawful as long as there is no disturbance of public order.

There are "slow down" practices or the embargo on

overtime or working to the strict letter of all the rules, as for example the slow down of the dockers in the Kishon port, or the minute observance of rules by doctors in Kuppat Holim, all as a substitute for a strike. Whenever the wage is regarded as unfair, the ordinary rhythm of work is invariably slowed down.

Apart from protest strikes and sympathy strikes there are also warning strikes, meant to warn the adversary of worse things to come, if the claim is not accepted. Work stoppages for a couple of hours are not considered strikes according to Histadrut practice.

There is also a distinction made between regular and irregular strikes, irregular strikes meaning strikes for arrears of wages. Such irregular strikes were quite frequent in previous years. In 1953 especially, the number of working days lost because of late payment of wages was 35,561 (80 per cent of the total). In 1955 this figure was cut down to 10,359 (or 19.3 per cent of the total). Strangely enough, arrears of wages occur in the public sector more frequently than anywhere else, and more so in public works where the worker is in greater need of money than elsewhere.

There are also unofficial strikes, that is strikes not approved by the Histadrut, although sometimes approved by the Workers' Committee or the local union. In 1953 there were seven such strikes with 17,442 days lost out of a total 84 strikes with 64,368 days lost. In 1955 there were only six such strikes with 1,732 days lost out of a total of 90 strikes with 53,395 days lost. The worst unofficial strike was that of seamen in 1951 and the academic and technical staff in 1955/56.

The worst wave of strikes came after the Second World War in 1946-47. In 1946 there were 110 strikes with 391,-

000 working days lost; in 1947, 81 strikes with 133,000 days. After that the wave subsided.

However, the number of working days lost through strikes is relatively negligible and below the international level for strikes. The statistical average of strikes in mining, manufacturing, construction and transport in the 21 year period from 1927-1947 for 12 most industrialized countries (United States, Great Britain, France, Canada, Denmark, Belgium, Holland, Sweden, Switzerland, South Africa, Australia, New Zealand) in terms of working days lost was 578 days per thousand workers, equal to about 4½ hours per worker for a year, which means about one fifth of one per cent.[1]

The figure for Israel is lower. In the five years from 1950 to 1954 in manufacturing, construction and transport there was a yearly average of 0.3 working days lost per worker, or 2½ hours for every worker per year. The small number of working days lost is due primarily to the fact that few strikes are national or district wide and most strikes (about ⅔) occur in small establishments employing up to 50 employees each. Among wage earners strikes are concentrated in the sector of manufacturing and transport, where the conditions are the best, while there are few strikes in construction or in agriculture where the conditions are worse. This may seem strange but it can be explained by the fact that work in those sectors is casual, done by temporary workers who can be laid off from day to day, so there is little possibility for an effective strike.

In the whole of 1954 there were only 96 days lost in agriculture, and 2,200 in building, quarries, and public works (mostly for arrears of wages) out of a total 64,000.

[1] Cf. I. Henry Richardson, *The Introduction to Industrial Relations.* London, Allen and Unwin, 1954.

And, strangely enough, public institutions figure prominently in the statistics as affected by strikes (16,000 working days lost in 1954).

Most strikes are either totally or at least partly successful. Nearly two thirds of all strikes in 1954 (in terms of working days lost) were totally successful, only seven per cent were unsuccessful, the rest were either partly successful or their outcome was not clear or not known. However, the percentage of totally successful strikes in 1955 dropped considerably, to 55 per cent, which shows that greater resistance to strikes was being offered.

The main causes of strikes vary in different periods. In 1952 the main causes were the problems of organized labor and union security changes such as the employment of unorganized labor, or the refusal of the firm to bargain collectively or to join an existing collective agreement in the industry. In 1953 the main causes were arrears of wages. In 1954 two thirds of the strikes were due to wage disputes. In 1956 about 56 per cent of all strikes were again due to organizational disputes and arrears of wages.

The Histadrut policy is against strikes; it considers every strike case very stringently on its merit. In case of a strike in a firm or in a locality, the strike resolution of the Workers' Committee must first be confirmed by the local union, and then by the local Labor Council. In the case of a strike on a regional or national level, the resolution of a national union must be confirmed by the Central Executive Committee of the Histadrut.

It is worth adding that lockouts are extremely rare.

Arab strikes are also rare. There was one Arab strike in 1954 involving 40 men and with 120 working days lost.

There is no compulsory arbitration in Israel. The new Law for the Settlement of Labor Disputes passed in the

Knesset in 1956 provides only for compulsory mediation and conciliation which can be imposed either upon the demand of one party or on the demand of the Government Mediator. The parties need not accept the Mediator's proposals. However, arbitration remains entirely free and in the hands of the parties concerned. The parties are obliged to resort to the arbitration service provided by the Government only in three cases: 1. when they have agreed to it in their collective agreement; 2. when they have provided in their collective agreement for arbitration, without naming the arbitrators; 3. if the arbitrators cannot pronounce their Arbitration Award within a reasonable time. However, in such cases the Arbitration Award is binding.

The law provides for full scale mediation and arbitration service with three lists of arbitrators, one representative each of employees and employers and the third for independent members expected to serve as chairmen of the Arbitration Councils.

7. Accidents

The high accident rate is one of the most serious problems in Israel. After Italy, the accident rate is the highest among all industrial countries; it is from seven to ten times higher than in American industry. In 1954 there were 40,000 accidents with 80 deaths; in 1955 33,500 accidents with 49 deaths and 1200 injuries with varying degrees of disability.

The Institute of National Insurance in the year 1956/57 made 32,000 workmen's compensation payments for accidents involving an incapacity of two or more days. It is estimated that about 600,000 workdays were lost in 1955, which is ten times as high as workdays lost in strikes for the same year.

Reckoned per wage earner in industry, building and transport one in six workers on the average met with an accident in 1955. The accident rate is especially high among dockers, building and metallurgical workers.

What are the reasons for such a high accident rate? I can only give here a general background of accidents as far as I could grasp it during my visits to factories, without attempting to analyze it in quantitative terms, or in the order of importance of the factors involved.

One of the main causes of accidents is the lack of experience of both management and men. Most men employed on machines belong to the category of green labor; they are not only inexperienced but often over-confident. The operators of the machines are often not conscious of dangers, and even if told, they minimize the possibility of their occurrence. "It won't happen to me," is the attitude.

Regulations and orders are frequently ignored, both by men and by employers. In 1955, 500 employers were charged in court for non-observance of industrial laws and regulations.[1] Everyone does as he wants. A bus driver or a truck driver takes his bus or his truck home at night for his own convenience.

Many workers are not suited to their jobs, since the selection of workers by the Labor Exchanges is hapazard; there is rarely a medical examination of workers engaged

[1] This attitude is more clearly revealed in the non-observance of the highway code. In 1954 nearly ten per cent of the adult population was charged with non-observance of road regulations. The number of such cases was 138,000.

in heavy jobs, such as dockwork, building or metal work. Only in a few trades, like bus driving, is a medical examination an established practice. Men who apply for heavy jobs are often not of the best physical constitution for it, and are frequently undernourished; they nevertheless apply for heavy jobs because they have large families and are in the greatest need of employment.

Equipment which is badly in need of repair is another great cause of accidents. Maintenance of equipment is a big problem in Israel; machines are far from standardized, spare parts are often not available, and there is lack of expert engineers specializing in certain types of machines. Thus machines often are in poor repair and therefore a danger to the operator.

Another cause of accidents is the general lack of order in storing materials. Tools are left haphazardly around, cables and bars thrown across gangways and passages, nails, hooks or sticks protrude, wood or metal shavings are strewn on the floor, etc. In many factories one can see heaps of tools, materials and waste in the main workshop. Not much attention is paid to either cleanliness or order. This is a very common failing of Israeli industry which results in both inefficiency and accidents. Even as one walks in the streets where building work is going on, one can see the danger of accidents to the public in the form of protruding cables, tubes, hooks and bars, and all sorts of building materials thrown haphazardly around.

Another source of accidents, especially in transport is excessive speed. This, together with the often precarious state of repairs and the uneven quality of raw material, causes frequent mishaps. Excessive speed is a frequent occurrence among subcontractors and those on inceptive pay.

Another cause of accidents, especially slight ones, such

as scratches and minor bruises, may be the fact that the Israeli usually works in shorts, short sleeved shirts and sandals, so that his arms and legs are exposed to splinters or grease.

We must also mention the often low standards of education of the operators, and the cross-cultural and language barriers which sometimes make it difficult to explain the operation of a machine. To avoid embarrassment the operator may pretend that he understands the actual operation and its danger points, while the instructor does not realize that he has failed in his task of communication. This fact is perhaps one of the reasons why safety campaigns up to now failed to be as effective as they should be.

The last cause which has great relevance to conditions in Israel is mental fatigue. New immigrants, especially those coming from concentration camps, are prone to mental fatigue, depression or worry. And this, in connection with the climate, food and housing conditions, the relatively long hours, travelling inconvenience, plus duties at home, adds to the mental stresses and strains and can cause temporary absentmindedness or wandering of attention. You hear frequently: "I don't know what made me do it."

Both the government and the industrial and labor organizations view this situation with great concern and every device is being tried to counteract this growing danger to national health and strength. The new Labor Inspection Law of 1954 requires the setting up of a joint Safety Committee with large executive powers in every undertaking with 25 or more employees. The Safety Committee may elect safety delegates with their own rights in matters of safety, and the Minister of Labor may direct the firm to appoint a properly trained safety officer.

A special Institute for Safety and Hygiene set up on a tripartite basis (ten representatives each for labor and management and five from the Ministry of Labor) has been established to promote conditions of labor safety and vocational hygiene. The Institute carries out safety research, conducts educational activities, organizes safety campaigns, holds training courses and safety exhibitions, shows films, holds safety contests with prizes, etc. It also organizes safety committees in smaller establishments with less than 25 employees. In large towns the Histadrut maintains special safety departments or committees operating within the local Workers' Councils.

The work of the Institute already shows results. In old established firms the accident rate is declining considerably. For instance, in a factory producing pipes belonging to "Mekorot," in 1952 every second worker had an accident, in 1955 only one in 22; in a tobacco factory (Bejerano) every fifth worker met with an accident in 1952; in 1955—one in 32; in the "Fryman" food factory every second worker met with an accident in 1952, in 1955—one in 20, etc. Although the difficulties of accident prevention in Israel are considerable, they are actually experienced by all underdeveloped countries starting their program of industrialization.

Part Four

PRODUCTIVITY AND INDUSTRIAL ORGANIZATION

1. Labor Productivity

Are the Israeli workers productivity minded? Do they care about raising standards of productivity?

In general, I would say, yes. Speaking with workers, I came to realize that the consciousness of the need for productivity has been very much aroused. The Joint Productivity Committee, the joint suggestion scheme, the incentive system introduced in the majority of large scale establishments, all have greatly contributed to this development. In addition, we have the effect of the large scale propaganda conducted by the Ministry of Labor, the Histadrut, the Institute for Productivity, the many training courses, and the Kaplan prizes granted yearly for best performance. The public pressure in this field is increasingly felt in the workshops, so much so that the workers often take the initiative in introducing incentive schemes.

Speaking about labor productivity, i.e. output per unit

of labor, we must distinguish between general labor productivity due to all factors and conditions, and specific labor productivity due only to the effort, ability or willingness of the operative.

One can say generally that both kinds of labor productivity have increased considerably during the last few years and they are still on the increase, but it is very difficult to separate specific labor productivity from general labor productivity. I obtained the figures for the increase of general labor productivity for the years 1953 and 1954 in many establishments, but they were all approximate and not very reliable, even in the largest firms.

Statistical material for productivity is rarely available, even in large firms, and accounting itself shows many deficiencies. From my questionnaire for productivity answered by 28 firms I could see that the majority of those firms which, one can assume, are among the most productivity minded, have no statistical material whatsoever, and even those which have such statistics, can give only approximate figures which do not seem very reliable.

The figure frequently quoted shows an increase of 15 to 20 per cent in general labor productivity in 1954 as compared with 1953. There were also higher figures, such as 25 to 40 per cent. One textile firm reported a 95 per cent increase in productivity. The figures for the increase in 1953 compared with 1952 were usually smaller.

In both my personal investigations and the questionnaires very few firms reported no improvement in productivity. Those that did so, are not necessarily those which are falling behind in the drive for productivity, just as those which reported big jumps in productivity are not necessarily the best organized firms. A firm which reported a nearly 100 per cent rise might have been previously disorganized, while a firm which stands firm at its present productivity standards might have been well organized from the start. One five year old firm producing plastics, founded in 1950 and employing about 80 men, had high standards of productivity from the start, and as its machines are fully automatic its standards remain practically always the same.

What are the main factors in the general increase in labor productivity?

First of all we have to realize the extreme youth of the Israeli industry. In young firms improvement in productivity year by year naturally follows with growth and experience. As is well known, the period for reaching maturity, i.e. reaching normal productivity standards, for a given industry, has been extended considerably in modern industry. In 1900 in the United States a new plant was expected to pay for itself after two or three years; at present it is expected to pay after ten to 15 years with ten times as much capital per worker.[1] Of course, Israeli industry does not belong to the class of the very high capital industry, but still it is fairly intensive. By this standard a large part, if not the majority, of Israeli industry could not yet have attained full maturity.

Let us now take a look at the concrete factors for improvement in recent years, as elicited by my investigations and the questionnaire.

The general improvement in the supply of raw materials and, to a certain extent, also in their quality, has been a very big factor. Import licenses are more liberally granted, and most firms enjoy a regular flow of raw materials. Prior to 1953/54 the supply was irregular, and

[1] Cf. Peter F. Drucker, *The Practice of Management*, New York, Harper and Brothers, 1954.

consequently productivity standards suffered severely. Workers, seeing that the firm was short of raw materials, slowed down their pace, not to work themselves out of a job. But the raw material position has not improved evenly all through industry. Some firms which work almost exclusively for the domestic market still suffer from an irregular flow of raw materials. Even such firms as Shemen, Merino, and Izasbest complained about the irregular flow of raw materials.

Even more complaints are heard about the quality of raw materials. It is not so much that the quality is inferior, although this is also complained of, but that the quality is not uniform, which is a very great handicap in machine operation.

The next factor is the improvement in the supply of electricity and water. Prior to 1952/3 there were frequent electricity and water cuts which disorganized production. The position in this regard is far from normal and there are still electricity cuts, especially in the Jerusalem area, but the overall position is incomparably better than two years ago, and is improving all the time.

Now we come to equipment and machinery. By and large Israel industry is fairly well equipped with modern machinery. The privilege of youth is newness, freshness and modernity. The plant is usually laid out with much space, air and light, although it is not as well maintained as it should be. Machinery is mostly of American, partly of English, and lately of German origin coming from Reparations payments. But complex machines need skilful maintenance, and, in case of breakdowns, neither skilled machinists nor parts are always available. In many firms, while the problem of maintenance and repairs is serious, it is somewhat alleviated by the fact that equipment is not

fully used, and usually there are some machines standing idle.

However, there can be little doubt that maintenance is improving all the time, as the standards of engineering go up with training, more practical experience and better arrangements. It could improve further, if more concentrated joint action were tried by establishing a cooperative service for maintenance engineering for groups of industry, and by better investment planning for more unified types of machines.

Better management methods are also responsible for improvements in general productivity. There are very few managers of real experience or knowledge, as the managers come mostly from the commercial class. The Institute of Productivity initiated courses for management, and the employers started to employ the services of production engineers and productivity experts. When incentive schemes were initiated the services of productivity experts were enlisted to fix norms and bonuses on a time study basis, and, together with this, improvements in methods and processes, in machinery outlay and assembly were introduced.

Finally we come to specific labor productivity, by which we mean the measure of productivity with the same equipment, under the same conditions, based only on factors for which the worker himself is responsible, such as his training, his endurance, his capacity.

Training and experience is a big factor in raising productivity in recent times. Altogether in the period 1948-1955 about 36,000 men were trained in various skills and about 25,600 got additional job instruction. Due to the system of compensation for dismissals and the strict control of dismissals by the Workers' Committees, the turn-

over of labor of the permanent staff is small, so they stay on the job and learn by experience. The Israeli worker learns quickly due to his inborn intelligence, and he is very eager to learn. In fact, he is more eager to learn than to work. To learn something new, such as a new process or a new method, is always a boon to the Israeli worker, as he constantly wants to improve himself. He reads textbooks on his trade if he can get hold of them, and, as a matter of fact, textbooks are always in great demand. He attends evening schools, training and refresher courses. Frequently, when I asked about the reason for a great increase in productivity, I was simply told: "Better experience." Managers often added: "We got green labor, completely inexperienced. It took them about three years to master the trade, and they are still learning. In another couple of years we may expect to reach the peak."

The physical capacity of the worker plays an important part in all physical work, especially in heavy work. Physical capacity has also improved, primarily due to better nutrition, more plentiful supply of food, especially of meat and fish. There is now an abundance of vegetables, and also a fair supply of eggs. This is an important factor. In 1954, when I first started to visit factories, workers often complained when I asked about productivity: "We haven't got the strength. There is not enough food to go round. All the best food we have to save for our children." This has become largely a thing of the past.

A very high percentage of industrial workers who previously were in *ma'abarot* are now in permanent houses *(shikunim)*. This is also a very important factor. A man who lives in a *ma'abara* is not able to get enough sleep and sufficient rest to recoup his strength. I was told that for a

nightshift man, for instance, to live in a *ma'abara* constitutes a very serious problem.

Transportation, too, plays its part in this improvement. The Israeli worker often has to travel considerable distances, which is a serious handicap, especially in the country's sub-tropical climate. He often arrives tired out by long lining up and standing in the bus even before he starts working. Altogether insufficient attention is paid to the problem of transporting workers to their workplaces, and although it has improved of late, the situation is still far from satisfactory. I came across workers who, for a 6 A.M. shift, had to get up at 4 A.M. to be in the factory in time. Lining up for buses for the trip home is yet another great burden.

In spite of all the improvements and achievements, the distance between Israel's productivity and that of industrial countries is still great. The Industrial Department of the United States Technical Operations Mission, which has done a productivity study of Israel's industry on a comparative basis, estimates that overall productivity in Israel in 1955 was roughly 50 per cent of that of European countries, and 25 per cent of that of the United States.

Of course, international comparisons are most difficult to make and must always be treated with reserve. The terms themselves are equivocal, open to misinterpretation and can only be usefully employed within a narrow range of operation. Still there is little doubt that Israel in general productivity is far behind other industrial countries. This can also be borne out by individual statements of firms which are wholly or partly foreign owned, and are on operations similar to those of their mother firms abroad. Curiously enough office work seems to be even more backward and less efficient than industrial work.

There are of course many handicaps for Israel industry, not the least of them consisting of a lack of services and of an industrial environment, the lack of all that which has been called by Alfred Marshall "external economics." But the basic handicap is the small size of the internal market and the barring of the natural markets in the Middle East.

Whenever I asked what was the main handicap to developing high standards of productivity, the first answer was lack of markets. To quote some examples: in a factory producing razor blades I was told that "eight per cent of their productive capacity was sufficient to cover all the needs of Israel, the rest had to be exported. The smallness of the internal market was thus regarded the chief limiting factor. The plant worked at 60 per cent of capacity.

A Histadrut owned metal factory and a Histadrut owned factory producing electric motors both worked at 60 per cent of capacity. A tire factory (General Tyres) worked at 60 to 70 per cent of capacity. "If we and another tire factory worked to 80 per cent of capacity, we could supply the whole internal market with half of our output," I was told. A factory producing asbestos tubes worked at 50 to 60 per cent of capacity. This hampered and slackened productivity. The oil refinery was working at 25 per cent of capacity. But of course the only oil refinery in Israel was in an exceptional position which could change at any time. A Histadrut owned factory producing oils and fats worked at 50 per cent of capacity, two large chocolate factories at somewhat over 60 per cent of capacity.

I do not want to suggest that these examples are the rule, but, generally speaking, 60 to 70 per cent of capacity is not a bad performance in Israel industry.

One of the great problems of underdeveloped countries

in general is the dilemma between the waste of capital equipment and monopoly. The small market often does not allow the existence of two plants of the same kind. When more plants come into existence, often all of them are headed for bankruptcy, since they must work at a low capacity and a general waste of capital equipment takes place. This is a drain on the country's resources. But when only one or two plants are in existence, a monopolistic atmosphere and a tendency to exploit the helpless market set in.

Thus industry finds itself between the devil and the deep blue sea, and it is difficult to tell which is better. Israeli policy at times follows one course, and at other times the opposite, and both tendencies are in operation simultaneously. But by and large a considerable waste of equipment takes place which can disappear only with further growth of the internal market and better prospects for international competition, and first and foremost by the opening of the Middle East market.

Another drawback is seasonal swing in the market. Even such products as pharmaceuticals, or shoes and shirts have a seasonal swing in Israel. Since a great proportion of spending depends on public funds, the release of Budget allocations governs the size of the market. The fluctuations in building programs from public funds also contributes to the pendulum movements. The high, almost prohibitive, rate of interest, reaching 20 per cent a year in the private market, prevents the levelling of production by working for stock. The management of practically every enterprise I visited complained about big seasonal swings and unexpected jumps in the market which created great problems in the utilization of manpower. They did not know what to do: to dismiss their

personnel—not easy under Israeli conditions—or to make them hang around which is bad for morale and productivity standards, and is a drag on profits.

Much could be done in the field of standardization. This could be a great help in view of the restricted market. There are hardly any agreements limiting the number of models and types in any article. This is a very important factor limiting productivity, which however, could be remedied, if collective action were taken.

Another great handicap is the overgrowth of the administrative and supervisory staff. While in England the owner of a small plant employing, let us say, ten workers would be his own manager, foreman and engineer with one typist-secretary, it is not exceptional in Israel to find all such positions separately held in small scale plants. To quote a few concrete examples from my questionnaire on productivity: A firm employing six workmen has a clerical staff of three, one foreman, one manager; a firm employing seven workmen has two on the clerical staff, two foremen, two managers; a firm employing 20 to 30 workmen has a clerical staff of ten, six foremen, two managers. We can see the same overstaffing in larger firms. For instance, a firm employing 103 men, has 24 on the clerical staff, 11 foremen and departmental managers, and two managers. Often positions are created for men in need of employment. All this adds to excessive production costs and to the lowering of productivity standards.

In spite of all these handicaps, Israel industry is showing a marked tendency towards improvement, and its productivity standards are constantly rising. It is a very good augury for the future that some plants, in spite of all existing handicaps, can produce here at the same rate as the best plants in the United States. This was the case reported to me by the tire factory of Alliance in Hedera, where in some operations productivity standards per worker were not only as good as in a sister company in the United States but occasionally even better. This proves that, given proper tools and organization, the Israeli worker can work as effectively as the American worker.

2. Incentive Schemes

Incentive pay is widely applied in Israel industry both by large (employing over 300) and medium sized firms (employing over 100 employees). Practically all the large firms, and the majority of medium sized firms (apart from a certain number of smaller firms), are either applying or in the process of applying this method.

This in itself is an extraordinary achievement, and shows a very progressive attitude by management. The largest factories in Israel would be regarded as medium-sized in England, and most English firms of such size would hardly consider the introduction of incentive schemes which are expensive. An outlay of IL 10,000 as the cost of introducing an incentive scheme in a medium-sized factory in Israel is not an exceptional figure, and it is an act of faith to decide to invest such a sum in a scheme. However, the great majority of firms which have decided to do so, have had very good experience with their incentive schemes, and speak highly about its working.

"Since the incentive scheme was introduced a couple of years ago this plant has not been the same," I was often

told, "it shows a new spirit and different attitude to work."

Incentive schemes affect not only the volume of output, but in many places they improve the quality of work and the maintenance of machines. I wondered about this, as it is well known that incentive schemes, by encouraging men to rush production, can adversely affect both quality and maintenance. In Israeli industry I met such cases, but the vast majority of firms reported improvements in these respects also.

"Without incentives," I was told, "the slack spirit as then prevailing made the worker indifferent to the quality of the work. If the work was rejected by the inspectors, the worker did not care about it, as there was no sanction against bad work. Now, there is a sanction, namely, the loss of the bonus on the rejected piece."

The same sanction operates also for better machine maintenance which is a big problem in Israel. "Before the introduction of incentives, the workers were careless about their machines. When the machine broke down, it was the firm's loss not theirs. Now it is different. If the machine is out of action, and a quick repair is not possible, they have to wait or be transferred to some other work where they lose their bonus. They are concerned therefore not only to avoid breakdowns but to achieve the best working condition of the machines."

The incentive system has also improved the figures for sick absenteeism. In most firms the workers have secured for themselves a certain "quota of sick days," 30, 40, or 60 days a year for which, against a doctor's certificate, they receive full pay. Those who have no such quota often receive sickness benefits of 50 or 60, or up to 90 per cent of their normal wage, but always without bonus payment.

"Since incentive pay was introduced," I was told, "we have found a considerable reduction in sick absenteeism. Previously they received 90 per cent of their wage bill, so they did not mind being away from work; now they lose much more, as the bonus is often about 20 to 30 per cent, with very little tax on it. This is human nature," the works manager added.

"The whole atmosphere is so much improved," I heard frequently. "The workers do not ask as many questions as previously, they don't talk and argue so much, they mean business. They feel like businessmen, like a sort of contractor. We have found that we can save money on supervision. Supervision is not needed as before, since they became, in fact, their own supervisors. They have the ambition to earn as much money as possible, and they boast about it before their wives and friends."

The incentive system has also improved labor relations. With each incentive scheme a Joint Production Committee is introduced according to the general agreement (of May 6, 1952) between the Histadrut and the Manufacturers' Association. On the whole, the Committees exert a positive influence on labor relations, being interested in higher productivity and the steady continuity of work.

Not only managers but also the workers, in the majority of establishments which I visited, spoke favorably of the working of incentive schemes. The fear which many of them previously entertained that the schemes would adversely affect the team-spirit and the workers' solidarity, proved in most cases unfounded.

Although I found also cases of disappointment with incentive schemes among both management and workers, these were in a minority, and due mostly to the inability

of the management to arrange a suitable scheme, or simply to a lack of organization or an even flow of raw materials, or to a mishap.

In one factory the situation was described to me in these terms: "We get less production and we pay more wages. The initial IL 10,000 which we spent on the time study was not recovered. The reason was that the time study men did not understand the jobs and have timed them very badly."

In other places with a negative experience the norms were not studied at all, but were simply guesswork or rough estimates based on previous output which was not always well recorded; or a most complicated scheme was introduced which led only to arguments; or bonus payments were given to everybody indiscriminately.

Where bargaining norms and bonuses were applied, the failure of the scheme was due to haphazard bargaining. In one Histadrut establishment the norm was fixed below the previous output, so workers received a bonus payment without the need to improve on their previous productivity.

By and large the proper functioning of an incentive scheme requires a number of conditions, which must be fulfilled, and which are not always present in Israeli industry.

First of all, work norms must be fixed under actual working conditions; they must not be too high as they would be discouraging to the average worker, and not too low, as that also would discourage higher output. There is no ready made scheme which can fit every workplace. The incentive system must be made to measure, and this is often not understood by management which picks up

a ready made scheme without proper study and preparation.

Norms are based on the measurement of the performance of average workers, who are picked from the floor for this purpose. Thus actually genuine cooperation without any artificial slowing down by the worker is a prerequisite for the success of the proposed norms.

Only a well organized factory assured of an even flow of raw materials, good maintenance service and a steady level of employment, has the proper background for an incentive scheme. Where the flow of materials is interrupted, or the machines frequently break down, the workers become disgruntled, as the bonus earnings cannot be maintained, or the bonus scheme has to lapse temporarily. This has a shock effect on productivity, bringing it down much below the ordinary level expected for work without a bonus.

Even worse things happen when the level of employment cannot be maintained. The bonus system becomes an anti-social instrument in the eyes of the workers dividing the workers in the establishment into two groups: those who will profit by the incentive system and those who, by being discharged, will pay the cost of the system.

A certain stability of total employment is one of the basic prerequisites of the success of an incentive system. If a worker becomes superfluous because of the successful operation of the incentive scheme, this in itself is bad enough in the eyes of his co-workers, but it is only half as bad if he can be transferred to another department. However, if he must be discharged his fellow workers may have him on their conscience feeling that they have improved their lot at his expense.

The sense of solidarity of Israeli workers makes it im-

perative to extend the incentive system not only to all production workers but to all types of workers. If only a certain percentage of workers are on the bonus, while the rest are on time, the work suffers through the multiplication of grievances and recrimination, and the work morale and atmosphere deteriorate.

In one place, where some workers were on bonus and others not, I was told: "We get very little output in work without a bonus; so much so that we have to transfer our best and most responsible men to jobs without a bonus, because the others on such work do not give us any output whatever. But this is discrimination against good workers. So we will have to extend our bonus system to cover all types of work, including those which actually don't need a premium at all."

I said that a good incentive scheme helps to improve labor relations, but the reverse is also true. Good labor relations are a prerequisite for a good incentive system and tend to improve its working. Where the Workers' Committee is uncooperative or the mood of the worker sullen and obstinate, an incentive system is often a breeding ground for grievances and conflicts, and the workers keep on lodging claims and complaints. Of course, an unsuitable incentive scheme would have a much worse effect on the general atmosphere and on general labor relations than the total absence of an incentive scheme.

The introduction of an incentive scheme follows this procedure: The Workers' Committee is approached about the intention of management to introduce an incentive scheme. The Committee gives its approval, as it conforms to the general policy of Histadrut; it is also welcome by most workers who are eager to earn more money. I was often told that "the present time-wages are inadequate,

we can make a living wage only by working on a bonus." But there were also cases of opposition to the introduction of incentive schemes, on the part of the Workers' Committee either out of regard for elderly workers, or on the grounds of union principles, as for instance in the case of the printing offices of the daily newspaper *Haaretz*.

After having received the blessings of the Workers' Committee, management usually invites a firm of production engineers (or its own production engineers) to study work-loads and to work out a project of norms and bonus payments. By and large I have found that the workers prefer outside production engineers to management engineers, having more confidence in their expert knowledge and objectivity.

Usually with the study of norms a general reorganization of the plant takes place, with improvement in outlay of machines, or in processes, methods and equipment. The project accepted by the management is studied by the workers' representatives and their engineers. The local Labor Council in towns such as Haifa or Tel Aviv has its own engineering department, and the Executive Committee of the Histadrut also has a separate engineering department which can help determine whether the norms are fair and the bonuses offered acceptable. The final decision rests with the Joint Production Council in the establishment, and the project accepted by them is put into operation, as a rule provisionally for a three month trial period. During this trial period the two sides can still propose changes in the scheme. After that the norms are fixed and cannot be altered unilaterally, unless changes are introduced in equipment or material, in quality and design of the product, in methods of work, or in speeds of machines.

Now a few words about the concrete terms of the incentive systems most current in Israel. Straight piecework is applied in farming, construction and in a few branches of industry, as in textiles and the food industry; but in most lines of manufacturing a premium system is applied, time wages being paid for productivity up to the norm and a bonus for any output exceeding the norm. The percentage of bonus payment is in most cases strictly proportional to the rise of output. The rate of bonus payment therefore does not change with a rise of efficiency. And it has no ceiling. "The sky is the limit," I was told. But some firms have had bad experiences with a system without an upper limit on bonus rates. "There are some workers in such a desperate need of money, that they nearly kill themselves to get the maximum at the cost of their health and long range working ability. Also the quality of output suffers in such cases." In one factory 30 workers were out of action temporarily on that count, and 14 went to the hospital.

What kind of bonuses are paid, individual, group, departmental, or total factory bonus? All kinds are paid in Israel industry, but in the large majority of establishments they are individual bonuses. These are usually preferred by both men and management. The workers feel that they are independent, nobody watches them, and they can earn as much as they wish. But there are only a few establishments where only individual bonuses are applied. In large scale firms there is usually a combination of individual and group bonuses. When group bonuses are applied the group preferred is a small one, not larger than eight or ten. The members of the group watch each other, and usually have an informal leader who figures out the prospective earnings and sets the pace required.

Occasionally the workers are hard on the slower or less industrious men. I heard of numerous cases where the group asked for removal of a man or his replacement by someone else, if he was regarded as inefficient or a slacker.

The general drawback to an incentive system is that the transfer of a man from machine to machine or job to job becomes more difficult, and the man transferred asks for a guarantee that he will earn at least as much in bonus on the new job as on the old.

How much can an average worker earn on bonus in addition to his daily wage? The most frequent figure I heard was from ten to thirty per cent, and it is estimated that the average premium is between 20 to 24 per cent of the daily wage. I heard also of bonuses of about 40 to 50 per cent, but they were rather an exception. When very small bonuses were paid they were completely ineffective.

Bonus payments play a most important part in the cost of living, and they make a vast difference between mere existence and a comfortable and decent standard of living.

3. Joint Production Committees

The Joint Production Committee (J.P.C.) was first introduced for Histadrut owned enterprises, and then, in 1952, extended to industry as a whole on the basis of a national agreement concluded between the Histadrut and Manufacturers' Association (and the Association of Engineers and Architects). The agreement at first was concluded for two years, but unless cancelled it was to

be automatically renewed for an additional two years.

The character of the Israeli J.P.C. comes very close to the English and Swedish models. Actually, it is a little more comprehensive in status and function than the British model and a little less so than the Swedish scheme.

The J.P.C. is a national uniform institution, based on an agreement valid for the country as a whole, as it is in Sweden. It does not have the variety and elasticity of the English institution which assumes different forms in different industries with different names, functions and statuses.

The Israeli agreement establishes two levels of J.P.C., one at the national level, the other at the level of local establishments, again similar to the Swedish system. At the national level there are a few central Joint Councils, as well as a Central Joint Council for industry as a whole to supervise and guide the J.P.C. and to promote their activities. In cases of disagreement the two sides in a J.P.C. can turn to the Central Council for guidance, direction or explanation.

J.P.C.'s are established in all enterprises employing 50 or more workers; in the Swedish system—in those employing 25, in the British engineering industry—250. The character of the J.P.C. is purely consultative and advisory. All decisions of a J.P.C. are regarded as advisory to both sides, i. e. both to management and to the Workers' Committee. The decisions of the J.P.C. are valid only if they are supported by a majority of its members from each side. But even then they can be invalidated if within seven days of their inception either the management or the Workers' Committee oppose their implementation, in which case each side can still turn to the Central Council for guidance.

The J.P.C. consists of equal representation of managers and employees, the latter being elected for a year by all employees on the basis of personal and direct vote, from all departments and sections, if possible. The election is supervised by both sides, by management and the Workers' Committees, but the Israel agreement does not state, as it does in the Swedish system, that it must be organized by the Trade Unions. However, there is usually close co-operation between the Workers' Committee and the J.P.C. In some cases the Workers' Committee nominates all the workers' representatives, in other cases only some of them. In some Histadrut owned factories the workers' representatives are appointed by the Productivity Department of the Histadrut.

The J.P.C. has two chairmen, one for each side, and the agenda for each meeting must be agreed to by both of them. The meetings take place as needed but at least once a month. The J.P.C. has the right to co-opt or to consult experts, and can form sub-committees, either for departments or for specific problems. In fact, many J.P.C.'s have made use of this possibility, establishing all sorts of sub-committees, such as for safety training, fixing norms, etc. There are two important limitations on the functions of J.P.C.'s. They can encroach neither upon the rights of management nor upon those of the Workers' Committee. All matters belonging to the field of collective bargaining, such as wage problems or social conditions, are distinctly excluded from its sphere of action. This exclusion is common to all three systems, the British, Swedish, and the Israeli.

The actual sphere of action in Israel is wider than in England. In an agreement concluded in the British engineering industry which is quite representative of the Brit-

ish approach, we read about the role of the J.P.C.: "The function of the Committee shall be to consult and advise on matters related to production and increased efficiency for this purpose, in order that maximum output may be obtained from the factory." Among the examples quoted in this agreement are "maximum utilization of machinery, upkeep of tools, improvement of methods of production, elimination of waste, best use of working hours, and safety." All these matters also come into the province of the J.P.C. in Israel. However, the agreement includes other matters, such as health and hygiene, methods of supervision, training and transport.

One of the most important and vital functions of the J.P.C. is the fixing of norms of output and incentive payments which in a way belongs to the province of collective bargaining. However, the last word remains with the Workers' Committee.

The right of fixing norms and incentive bonuses is of prime importance because actually the whole idea of J.P.C. and the main motive for its introduction is to safeguard the rights of workers in connection with incentive schemes.

However, the Israeli agreement in many ways does not go as far as the Swedish agreement. According to the Swedish agreement the J.P.C. has the right to probe not only into the economic and technical conditions of the establishment, but also into its financial position. It has also the task to promote security of employment, job-satisfaction of the workers, and good working conditions. In Sweden the employer has the duty to supply the J.P.C. with continuous production surveys, including reports of changes in operations or in working conditions, and the duty to present the balance sheet, profit and loss account, the Administrations and the Auditor's Report, or information concerning business trends and market conditions. No such stipulations are made in the Israel agreement.

The J.P.C. in Israel is a very young institution, in most establishments only a few years old, so that it finds itself in an experimental stage. Initially there was a great deal of prejudice against it on both sides, but perhaps more so on the side of workers who connected the role of the J.P.C. with increased norms of output not accompanied by full compensation. Especially the old types of trade unionists opposed this system, and there are still a few factories or printing offices where the J.P.C. cannot be established because of this opposition. Also some of the employers were afraid that the J.P.C. would enroach on prerogatives of management and its authority. But the opposition is fast disappearing and, on the whole, good results are being noted.

Altogether there were 139 J.P.C.'s in 1955, of which seven were central institutions for broad lines of industry or agriculture, such as building and public works, fruit picking, diamonds, rural settlements, work in army enterprises, and office work; the rest were in single establishments.

Of the latter (132) 91 were in establishments employing 50 or more workers which represents about half of the establishments of this size in Israel. Thirty-three J.P.C.'s were in establishments employing from 25 to 50 workers, the rest in even smaller establishments. It is estimated that workplaces employing about 29,000 workers are covered by the operation of the J.P.C. which means a relatively large slice of industry.

On the whole, the activities of the J.P.C. are praised by both sides as contributions to the improvement of the general atmosphere and as an additional incentive. At pres-

ent, the workers seem to appreciate it more than the employers. The Israeli worker likes to be consulted, he likes to think about improvements in methods of work, to show his ability, his initiative and his ingenuity. This is why the incentive scheme has such a great influence on productivity. The J.P.C. is the instrument enabling the firm to introduce and operate such a system.

An inquiry was made into the operation of the J.P.C. by the Joint Central Production Committee in December 1953. Sixty-one, mostly the biggest of the 125 firms then operating the scheme, answered. From this inquiry we learn that the majority of the J.P.C.'s had no fixed dates for meeting. The minority had weekly, fortnightly, monthly and even bi-monthly meetings. In most cases the agenda was prepared in advance. In a large majority of the cases (51 out of 61) there was no necessity to take a vote. This is more or less the case in English practice as well. Only three firms reported that frequently they could not reach conclusions; all the others stated that this happened rarely or not at all.

There were nine cases where resolutions of J.P.C.'s were not honored by the management; in seven cases they were disregarded by the Workers' Committee; in two cases both sides cancelled the decision; but in the vast majority of cases the resolutions were respected by both sides.

The majority of the firms regarded the results of the J.P.C. as positive in various degrees. However, there was a very large minority, up to one half of the firms, which either did not answer, or were skeptical about the results.

The question about the general effects of the J.P.C.'s on productivity was addressed to both sides in the course of the inquiry, and it is characteristic that the workers' representatives had a tendency to regard these effects as

of much greater importance than did management. The workers in 35 cases regarded its effects as very great, while management did so only in 28 cases.

Not all firms which had a J.P.C. operated on incentive schemes. There were seven firms, probably Histadrut owned firms, which had a J.P.C. but no incentive scheme.

As in most other Western countries the J.P.C. is regarded as a long term investment in workers' education, in teaching both sides a cooperative way of solving problems, and in getting workers interested in productivity and efficiency. It is actually an experiment in industrial democracy, and it looks as if the experiment is worth continuing until it achieves its full fruition.

Closely allied to the J.P.C. is the suggestion scheme which is based on an additional national agreement between the Histadrut and the Manufacturers' Association.

According to the agreement, every J.P.C. will appoint a sub-committee which will encourage study and make awards for suggestions for better methods of work, for better upkeep of tools, elimination of waste, and general improvement of productivity and efficiency. Any worker, including supervisory, technical and clerical staff, can make suggestions: excluded are only those whose job it is to make such technical improvements. The suggestion must be made in writing; however, the worker is allowed to ask the Secretary of the sub-committee to help him write down his verbal suggestion, or to help him technically, if necessary, with the assistance of an expert, to formulate or to work out his suggestion. The suggestion is presented to the J.P.C. without the name of the author. It is investigated thoroughly and, if approved, rewarded according to the degree of savings effected. The rule is that the author receives at least 50 per cent of the savings accrued to the

firm during the first six months following the introduction of the improvement. After paying the reward, the firm has the right to use the device, but the inventor has the right to apply for a patent at the Patent Office. The new device is posted on the bulletin board in the factory, and anyone may dispute its authorship.

The suggestion scheme is widely applied in larger establishments and is praised as a worthwhile scheme, giving good results in most cases. However, there are some establishments which have few opportunities for using the scheme, especially if the staff is educationally and technically backward.

The Israeli worker is very keen on making suggestions, and the problem is only how to eliminate the completely useless ones which often are presented in great numbers. Some managements make use of the suggestion scheme in an organized way, inviting suggestions for specific problems which they face, thereby bringing their problems to the worker.

4. The Entrepreneur in Israeli Society

Can we speak about a managerial class in Israel as we do, for instance, in England or in the United States? According to the census of 1952, Israel industry had only 183 establishments employing 100 persons or more; only such establishments could have professional management as distinct from ownership. But only a small percentage of the private firms in this category had professional management, perhaps not even one in three, and these

were mostly firms founded by foreign capital. Professional management was concentrated mainly in the public sector, in the Histadrut owned or government owned enterprises.

This means that the entrepreneur, or the man who combines capital ownership with actual management, is the main figure in Israeli industry. In many cases he represents a family ownership or a partnership: a family business, like that of the Brothers Bejerano, or a partnership with two or more owners, or with a skilled worker, a commercial man, or with a financier who becomes the center of power and real decision.

There are establishments, even in the largest class, with only one Executive Director as the head of the firm; the usual setup is a top management of two or more heads of equal standing. Even in the foreign capital sector, or in the joint Histadrut-foreign capital sector, there may be two heads, one representing the Histadrut interests, or the Israeli interests, and the other representing the foreign capital. This often produces committee management and blurred lines of responsibility. The division of responsibility in many instances is not very clear, and the men do not know to whom to turn and whose advice to follow.

I will not attempt to describe here the Israeli entrepreneur, as there are so many types with different backgrounds, some coming from Eastern Europe, some from Germany and Western Europe, some from the British Commonwealth and the United States and others from Asia and Africa. However, there are some general tendencies operating in this field which can be clearly discerned.

There are a number of historical forces which went into the molding of the entrepreneur in Israel. Some are the heritage of the Diaspora, others were linked historically with the war period, with the period of inflation,

with the whole economic system of the country based on government regulation and government intervention, or with the small size of the market.

The Israeli entrepreneur came to life to a large extent during World War II, when the "cost plus" system was applied, and he could charge anything provided he offered the goods. This mentality still lingers on. During the time of inflation what was important was market speculation and quick exploitation of price fluctuations. We have to take into account also the widely applied system of subsidies, subsidized credit, import and export licenses, clearing prices—all providing a large field for manipulation. This is the historical and institutional background.

The Israeli entrepreneur, in the large majority of cases, has a merchant's or a financier's background. He rarely was an industrialist in his country of origin. He grew up in a mercantile business, and his establishment therefore is like merchandise for him, or a bill of exchange. He clings to it, as long as he can make more money on it than someplace else. But he is willing to exchange it for something else, if the right thing comes along. The establishment is not an end in itself, it has no independent existence to be cultivated for its own sake.

The employer is often as security minded as his workers. He thinks constantly not so much in terms of expansion as of securing his position in the market. He wants to get a fair share of the existing market, so he turns to cartels, syndicates, and other business agreements. Since the market is small, he cannot think much about output expansion, and so he tries to cling to what he has already achieved in the market. He craves protection, turning to the government and other public bodies for that purpose. He believes in organization as much as does the worker,

and therefore he develops all sorts of organizations and pressure groups to get his protection. He plays it safe all the time. He is not a risk-taker; if there is a risk, he thinks this risk should be taken by public bodies.

In general, his concept about economic development is that this is primarily the duty of the government and other public bodies. Initiative and capital investment are matters for the government, not for a private individual.

When he thinks in terms of improvement he primarily thinks of saving per unit-cost, of saving in material, elimination of waste, in lower costs of operation of the machine, etc., not in lowering costs through increased output. The whole philosophy of American industry, expressed in the tendency to lower unit costs by increased output, is foreign to him as he sees no great prospects of expanding markets.

Altogether, he expects to gain not so much from an efficiency or productivity drive inside his place, as from getting import licenses, good clearing contracts, profitable exchange, quotas and rates, long term easy credit, etc. The whole sphere of public intervention is much more important to him than his own efficiency or productivity. In regard to his employees he often has the attitude of the European (especially the French *patron*), not that of an American or an English employer. One can often hear a note of resentment in the voice of the Israeli employer, when he speaks about his workers. He may feel that he is "exploited by his workers," that they have secured more than they are worth, that they can talk back to him, that they do not keep the proper distance which is due to him in the employer-worker relationship. In the building industry the contractor may tell you that his workers are "exploiting him," meaning by it that he has to pay more

than the official rates of the Histadrut. In the manufacturing industry one may meet the same attitude, although it would not be expressed so frankly. It is again the merchant's attitude to labor as a commodity. As one may be overcharged on a commodity, the same may be the case with the most important commodity for the employer, labor.

Paternalism, the attitude of responsibility towards the dependent worker, so to speak *loco parentis,* is little known in Israeli practice, anyway not in industry. It may occur in crafts towards the unorganized Middle Eastern worker. The employer strictly follows any agreement, and the relationship is formalized, organized and institutionalized. The rules are set, and the relationship is primarily through the Workers' Committee.

The attitude is not that of animosity, but rather of being on guard. This was probably historically conditioned during the times of labor's struggle for the right of employment, the campaign for "the conquest of work" *(Kibbush Haavoda)* as it was called. The Israeli worker had to fight very hard to get employment against the competition of cheaper Arab labor. In this struggle he often had no cooperation from the Jewish employer who preferred the Arab workman. The general background of the struggle for the conquest of work created an atmosphere of mutual diffidence which still hangs over the air in some workplaces.

The entrepreneur in Israeli society does not carry great prestige or weight in shaping social, political or economic life in the country. The credit given to the counsels of the entrepreneur is not very high. Neither is his self-confidence great. It has been observed that the employers in their own meetings imitate labor leaders in their way of

speech and behavior, which only seems to confirm the general lack of self-confidence and self-reliance. The entrepreneur's status in society on the whole is low. Young men of talent are not attracted to industry, and would hardly consider training for such a career. They are attracted to what they regard as the more important, or much more honorable, vocation in a profession.

The entrepreneur in Israel finds himself on the defensive all the time. Public opinion observes and notes, not so much what he contributes to the economy, but rather what he costs the Treasury, and whether he pays his taxes or not. It is generally accepted that business morale is low, and the publication (in 1955) of the list of taxpayers, in which the industrialists figured, on the whole, with small assessments, raised a general wave of indignation and protest.

I have described here tendencies and collective or historical forces operating in the sphere of labor relations. This does not mean that there are no progressive, cooperative, socially minded and dynamic figures among the Israeli manager-owners. I have met quite a number of such individuals, and I would like to pay tribute to their courage and determination.

5. Histadrut Industry

Industry under the administration of a holding company of *Solel Boneh,* named *Koor,* is the most important part of the Histadrut economy and this chapter is devoted to a survey of it. *Koor* had only three establishments in

1944 employing about 500 men, but by 1954 it has grown to 30 establishments with 5,000 workers. The factories are relatively large, in fact, the largest factories in the country belong to *Koor*. In the group of factories with 300 and more employees, at least one third of the total number belong to *Koor*. Most of these factories are located in the Haifa Bay area, but there are also establishments in the north, the south and the center of the country.

These establishments specialize in iron and steel, motors, building materials, tubes, rubber, safety glass, etc. They continue to expand in the same direction aspiring to further development of basic and heavy industry, mostly in partnership with private capital, both Israeli and foreign.

The largest establishments, in fact, the majority of the *Koor* enterprises, like the "Middle East Tubes" in Acre, or "Tubes" in Yuval Gad, the cement factories in Ramle and Haifa, the rubber factories (Alliance in Hedera, and *Hamgaper* in Haifa), the glass factory Phoenicia, the metal factory *Chamat,* etc., are partnerships with private capital. Some partnerships like *Nesher* are on a 50-50 basis as far as capital and management is concerned, but there are other arrangements as well.

The *Koor* group of factories is supposed to be under a central direction forming a compact concern of some weight, and not one of the smallest, even in comparison with factories on the European continent. In reality, however, the central direction is very loose, as one can gather from the fact that *Koor* comprises some of the most efficiently and some of the least efficiently, organized factories in the country. The management structure in some places is built on a joint basis; others are entirely in the hands of *Koor,* or entirely in the hands of private capital.

Koor establishments enjoy many advantages arising out of the fact that they belong to what is called *Medinat Hahistadrut,* the realm of the Histadrut. They have better market positions often supplying other Histadrut establishments, say *Solel Boneh,* which is the largest building contractor in Israel, to communal or cooperative settlements, to *Hamashbir* and *Tnuva,* or to other cooperatives. They also have better credit facilities, and lately they have had better access to re-equipment through the German Reparations.

But they also suffer from many handicaps. The first handicap arises out of the origin of the establishments. *Phoenicia, Vulkan, Hamgaper,* and other plants were taken over from private capital when threatened with closing down, and they were actually bad propositions from the point of view of profitability. The Histadrut took them over primarily in order to give employment to those who would be thrown out of work. It was actually a parallel to what was often called in pre-Hitler Germany *Kalte Sozialisierung* (cold socialization), the nationalization of losses.

Other establishments, such as the electric motor plant in Ramle, were founded, not so much on the basis of existing market possibilities, but on future possibilities which were very optimistically viewed. The planning was faulty, or based on unsound or unjustified premises. Still other establishments, such as the metal factory *Chamat,* operate in fields in which also private establishments exist, competing with them on a restricted market. Thus the origin of the plant, its very conception and construction, are often at the root of its weakness—over-capacity.

Then there are operational handicaps as well. One of them is the lack of definition of the functions and author-

ity of the general plant manager, both vis-à-vis the central director of *Koor,* and vis-à-vis other grades of management in the plant itself, and even vis-à-vis the Workers' Committee. The general plant manager does not know where he stands. He status is weak, his authority limited. He suffers from ill-defined or undefined rights. His lines of responsibility are blurred. Too much of the time of the general manager, if such thing as a general manager exists, is taken up with convincing others that such and such a decision is necessary. It is most difficult to change anything or, generally speaking, to make any sort of decision.

Strongly linked with this is another handicap, often called the "meeting weariness" or meeting sickness *(mahalat yeshivot),* meaning too many meetings, conferences and committees. The manager is overburdened with meetings of all sorts, of *Koor,* of the Central Council, and of many of the committees of *Solel Boneh, Sol-Koor, Hevrat Ovdim,* to which are added numerous special committees and departments of different levels, Workers' Committees, union committees, Joint Production Committees, the local Workers' Council, etc, etc. A manager is rarely present in the establishment to do the work of a manager. The overgrowth of meetings basically affects the efficiency and working capacity of the manager. The manager becomes a *Hevra man* (a liaison officer) who goes to meetings, and his main interests center around political and social issues.

Another important handicap is the process of selection of the management staff. Very often the manager is not a highly trained professional man selected for his professional abilities, but rather for his connections, political associations and standing in the Histadrut movement.

Yet another drawback is the difficult task of supervision

in *Koor* establishments. Generally speaking, the status of the foreman is low, his authority limited and circumscribed from all sides. He belongs to the same union, and there is no distinction whatever between him and the rank and file. This is the general situation all through industry, but more so in *Koor* than anywhere else.

The task of supervision in *Koor* establishments is one of extreme delicacy, and the foreman must be very careful in addressing himself to the members of his group, in criticizing their performance, or making any claims. In some places even the title of foreman *(menahel avoda)* is replaced by the title of organizer *(merakez).* The Jewish worker is, by and large, very dignity conscious, always on the lookout for any offense. But in *Koor* this concern with dignity assumes even greater proportions.

Another drawback is in the selection of the staff of workers. To get a job in a *Koor* establishment is regarded as a great privilege; in most cases it is actually an appointment for life and it often goes to those with the highest standing in the labor movement. Often men are accepted for employment who for reasons of age or health are unable to get a job anywhere else. Some establishments have among their staff workers who for these reasons are unable to maintain proper standards of production. Those over-aged or broken in health are continued in employment, being given a lighter job. Social conditions, especially in regard to holidays, discharge compensation, payment for vacations and for resorts, for sickness etc., are above the usual standards.

Then comes the difficulty of discharging anyone for any reason, even in cases of actual superfluity. I was often told in *Koor* establishments, "We could do the same work with ten or even 20 per cent fewer workers. But we cannot

get rid of extra workers. It takes months and months of bargaining and then we only get partial results, and the men discharged are not those we want to discharge in the first place." Of course, it is difficult to proceed with discharges in any industrial establishment in Israel, as pointed out elsewhere in this study, but it is even more difficult in a *Koor* establishment.

Productivity standards have improved in the last years since norms and premiums have been introduced and a special production engineering department in *Koor* has been established with about 30 production engineers and technicians and an additional 25 production engineers in the plants themselves. It was estimated that at the end of 1955 about 55 per cent of all the workers in *Koor* establishments were on norms and premiums; this helped greatly in stepping up production, often by as much as 50 per cent or more. But the norms were not always rationally set, and not always based on objective study. Often they were simply bargaining norms, and sometimes automatic norms were imposed wholesale on the entire staff.

I have often asked whether in Histadrut establishments the Workers' Committee has a stronger or a weaker position vis-à-vis the management. The answer was: in some respects stronger, in some respects weaker. There is an arbiter who stands apart of the two sides in the plants. For this arbiter, who in most cases is the local Labor Council, the decisive criteria are general Histadrut policy and the social and political situation. If the Workers' Committee is dissatisfied with the decision of the local Labor Council, it can go only to the Executive Committee *(Vaad Hapoel)* of the Histadrut and no further.

There are actually no collective agreements signed between management and men, since the Histadrut does not recognize the fact that two sides exist in Histadrut industry. The theory behind this is somehow similar to the theory applied in Soviet industry, where no collective agreements were signed for a long time, and when signed had a specific character within the frame of the five-year-plans with workers and management pledging to fulfil and over-fulfil the plan quotas. The Histadrut signs no collective agreements with its workers, but adopts by-laws and statutes *(hukot)* which are binding on both sides.

There are separate statutes for employees in Histadrut industry for manual workers and for the clerical and technical staff. The clerical workers' statutes were confirmed by the Union of Clerical Workers and offer better terms than those for manual workers, in respect to working hours, holidays, discharges, pay for sick leaves, etc. They provide also for a special subcommittee in Joint Production Committees with incentive payments for the clerical staff. They also grant more rights to the Workers' Committees in regard to transfers, discipline of clerical staff, etc. Strangely enough, the distinction in regard to status and rights between clerical and technical staff on the one hand and manual workers on the other is greater in Histadrut industry than in private industry.

At present both management and workers in *Koor* industry are somewhat disappointed with their mutual relations. They expected and hoped for better things. They believed that a new pattern of relationships would be set up, a model for others to follow, a new constructive and productive worker-management partnership. The management of the Histadrut enterprises complain that the workers are concerned with their rights rather than their duties, and that they show little sense of responsi-

bility for the development of the establishment. The question as to how to protect the factory from unjustified and illegitimate claims of its workers becomes a serious problem, resembling that of nationalized industries in Britain. The workers, feeling the strong arm of their own organization and enjoying perfect security, may exploit this position for their own narrow interests. When I asked a high ranking Histadrut official whether the *Koor* workers have the right to strike, he answered: "Why should they strike? We offer them the best conditions and terms. We give them the best we have, better conditions than anyone else. The problem is not how to protect the workers in our establishments, because we have nobody against whom we can protect them, we could protect them only against ourselves. The problem is reversed: how to protect Histadrut industry against excessive, unjustified claims. Is there not the same proble in nationalized industries in Britain? We would need consumers' councils or representatives of government to safeguard national interests against sectional interests of the worker."

As a matter of fact, in principle the workers in *Koor* establishments have the right to strike provided they get the permission of the local Labor Council, or, in some cases, of the Executive Committee of the Histadrut, but actually only illegal or wildcat strikes are possible.

In a way the workers are also dissatisfied because they expected much more from the abolition of capitalism in Histadrut establishments. They expected a sort of syndicalist regime and much higher wages. True, the social services are much higher in *Koor* establishments, amounting to 30 to 40 per cent of wages, but the wage level is that of any other private establishment. The management is not elected but appointed from above without consultation with the workers. The channels of consultation and communication are the same as in any other establishment of the same size in private industry. There is the Workers' Committee *(Vaad Hapoalim)* and the Staff Committee *(Vaad Haovdim)* with the same functions and status, and there is the Joint Production Committee *(Vaad Hayitzur)*, just as in most establishments of similar size.

Both sides eagerly seek ways out of this impasse. The management says that the workers are not really interested in management or in assuming responsibility for the establishment, and the workers say that the management is not really interested in the workers' participation in management. However, plans are being prepared for workers' management partnership on a new institutional basis, and institutions in Yugoslavia, West Germany, and Sweden are being studied to learn from their experience.

6. Kibbutz Industry

Kibbutz industry is considered by some as of great significance for Israel, by others as a new model to be followed by other nations, still others regard it as a mere oddity with little staying power or development potential; but there can be no doubt that it is something new and original springing from Israel's soil.

It presents a new attempt to create a work community in its strictest sense, a community which not only works but also lives together, bound by common work interests as well as common life interests. It appeals to an archetype in our thinking and feeling coming from those an-

cient times when people worked and lived together in closely knit communities. It is an attempt to link highly developed industrial forms with archaic forms of village life by creating an industrial village held together by bonds of common ownership and common production, a community of comradeship and mutual help.

When I visited Kibbutz factories I felt the presence of the shades of Charles Fourier and Robert Owen. Kibbutz industry is not only the archaic turned modern but also the utopian turned real. But all the same Kibbutz industry developed historically out of economic necessities as a response to concrete and pressing situations.

The Kibbutz as a small farming community in the past often found itself in dire straits not being able to use its manpower to the full because of natural obstructions or temporary impediments. Often there was not enough work to go round for all the members—so the Kibbutz was in constant search for work. A number of Kibbutzim undertook work as building contractors, highway contractors, or transport agents; they were, and still are, Kibbutzim which hired out their members in industrial establishments and offices. A number of Kibbutz members still work in the Nesher cement factory and other factories in the Haifa Bay region. For the same reasons some Kibbutzim started industrial work of their own, to provide a more stable source of income and employment, and to reduce their dependence on the vagaries of the weather. This was important and convenient also from other points of view. In a Kibbutz there are always members who are not fit for heavy work in farming, and, in time, with the aging of the Kibbutz membership, the number of these increases. Work in a factory is relatively easier, especially in light industry which has been the main province of the Kibbutz

industry. It is also convenient from the point of view of better utilization of the products of the farm, since Kibbutz industry to a great extent processes these products.

Thus many birds were killed with one stone in the process of establishing the Kibbutz industry.

The facts and figures concerning Kibbutz industry show that it is mostly located in the *Ahdut Avoda (Hakibbutz Hameuhad)* and *Mapam (Hakibbutz Haartzi)* movements, less frequently in Kibbutzim affiliated with *Mapai (Ihud Hakibbutzim v'Hakvutzot),* although the largest single industrial establishment, *Afikim,* belongs to the latter. Altogether, at the end of 1953, there were about 370 establishments in Kibbutz industry with about 4,200 men engaged.

We must distinguish between crafts and industry. Practically every Kibbutz has its small workshop, mostly for repairs of machines and woodwork, or for building materials. The number of men working in these workshops was estimated in 1953 at 1,500, nearly twice as much as in 1950/51.

The number of men working in larger establishments, in what can be called industry proper, was 2,700 at the end of 1953. Of this number the food industry engaged 607 men, metal work 680, woodwork 540, building materials 354, the rest were in textiles, printing, leather, chemicals, etc. In recent years there has been no great progress in this field; Kibbutz industry finds itself rather on the defensive, mainly through lack of manpower, and more so through lack of skilled men.

Most of these industrial establishments employ less than 50 men, but there are also establishments employing more than 100, and one *(Afikim)* at times may employ as many as 300.

With regard to the structure there are two basic types of Kibbutz industry.

1. In the first the establishment is an integral part of the economy *(meshek)* of the Kibbutz. The establishment has no separate existence in either a legal or a financial sense. Its budget, if there is one, is part of the general budget of the Kibbutz. Its management is part of the general secretariat *(mazkirut)* of the Kibbutz and wholly dependent on it.

2. In the second type the establishment is an independent unit, sometimes even in a legal sense, but primarily in financial terms. The establishment has a separate budget, both current and investment budget, and, in many ways, it leads a separate existence with regard to its management which has a much greater stability.

There are also mixed cases belonging in some respects to the first and in others to the second type.

The second type comprises several establishments which are collective ventures of two or more neighboring Kibbutzim, or joint undertakings of a Kibbutz with the Histadrut industry, with the Jewish Agency, or with private capital.

Where the establishment leads an independent existence, the Kibbutz often receives a certain fixed payment for the number of days worked by its members, in addition to the profits or a share in the profits. In such an establishment commercial principles are more widely applied and there is greater concern for productivity and profitability, as the results are more directly noticeable.

Establishments of both types are concerned only with production, while the sale of their output is mostly in the hands of separate collective agencies set up jointly with a number of similar establishments either in Histadrut

industry or in private industry. Kibbutz factories take part in cartels and syndicates which control prices and share markets. With regard to market behavior there is little difference between Kibbutz and private industry. Where the establishment has to find its own market it applies normal principles of cost calculation: cost plus normal profit.

There is also little difference in respect to financial deals. They often borrow money not only from private banks but also from private individuals at annual rates of interest up to 20 per cent and sometimes even higher.

Also in respect to their employment policies they differ little from other Histadrut owned establishments. Experiencing at present a shortage of manpower, many Kibbutz factories employ wage earners. In some places the number of wage earners exceeds that of Kibbutz members. Sometimes only management and foremen are members, all others wage earners. This situation is always regarded as deplorable in principle, as the Kibbutz should live on the labor of its members only, but it is accepted simply as the outcome of the present severe shortage of manpower. The Kibbutz often tries to persuade those workers employed in the factory who seem to be suitable to become members, but in most cases the workers refuse to become unpaid members of the Kibbutz who often have to work harder and longer.

The wage earners are paid and receive social benefits strictly according to the rules governing Histadrut owned industry. Most Kibbutzim, especially those belonging to *Mapam,* feel that the workers so paid are being exploited, and a "surplus value" is being accumulated. Most of them pay what they regard as surplus value (according to the Marxian theory of value) into a special fund administered

by the central organization of their movement and devoted to the absorption of immigrants *(Keren Klita)*. For instance, Kibbutz Dahlia (Kibbutz Artzi) has two establishments, one, called *Arad,* engaging 50 men for producing water meters, and another, *Zohar,* producing chemicals, mostly detergents, engaging 14 men. The Kibbutz receives from its establishments for every day worked by their members a payment of IL 13 while wage earners are paid at the Histadrut rate of IL 7 per day. To ease its conscience, the Kibbutz pays the difference between IL 7 and IL 13 to a *Keren Klita* in the Kibbutz Artzi. This device is also meant as a deterrent against further extension of the employment of wage earners.

Now we come to the management structure. Management is usually in the hands of a Committee consisting of three or four men. There is rarely one general or chief manager, the management is so divided that every one has his own functions and duties. However, one personality with experience usually achieves such a position *de facto,* while others fall in line, recognizing his authority. The management usually comprises 1. a technical or production manager who is often called the organizer of production or work organizer *(merakez,* or *sadran hayitzur,* or *sadran avoda),* 2. a financial manager *(gizbar),* 3. a commercial manager *(merakez mis'hari),* 4. an accountant. The management committee meets usually once a week to decide on the main issues.

Usually the first manager is appointed by the Kibbutz, i.e. by the General Assembly of its members. The renewal of his term is in the hands of those members of the Kibbutz who work in the factory *(Hever Haovdim)* but must be confirmed by the General Assembly. The appointment

is usually made for two to three years, sometimes for an indefinite period.

There is no special eagerness to get appointed, and often the appointment is enforced by the working members with the promise of early release if another suitable candidate should come along. The appointment carries no prestige and no benefits, only worries and additional duties, and members of the Kibbutz generally have enough duties within the Kibbutz itself. Those suited to managerial positions are at the same time those best fitted for social and cultural activities, and their duties keep them busy around the clock with hardly an evening free for themselves. I have seen timetables of such Kibbutz members. It starts with Sunday evening and ends with Saturday evening, all taken up with meetings of committees, work-groups, study circles, discussion forums, lectures, etc.

The Assembly of Working Members *(Hever Haovdim)* forms what may be regarded as the management council invested with the highest authority within the establishment. But decisions requiring commitments of the Kibbutz investment plans or decisions of a general import, or a decision to which the managers committee objects, go to the General Assembly of the Kibbutz. The *Hever Haovdim* meets about once a month, according to its needs. It passes on monthly reports or progress reports brought before it by the managers' committee. Complaints against the managers' committee, internal disagreements within the managers' committee, disagreements with fellow members on employment policy, production techniques, investment, all come up for the decision of the *Hever Haovdim.*

It must be emphasized that the *Hever Haovdim* consists

only of Kibbutz members. The wage earners have no part in it, they form the workers' committee, as in any other private or Histadrut owned establishment. The members of the *Hever Haovdim* are the "owners" of the establishment, they work for themselves, i.e. for the Kibbutz whose members they are.

The wage earners' relationship to the establishment is that of workers in any place of employment. It may be permanent or casual, but it is based on a contractual relationship of a workman to his work place. The relationship of the wage earners to the Kibbutz members is, generally speaking, good, but mostly formal. It is so for many reasons. Firstly, because of the cultural differences which are often combined with language barriers. The wage earners are new immigrants who live in separate quarters and keep to themselves. In addition to that, the members of the Kibbutz mostly represent the skilled or supervisory staff, while the wage earners are mostly unskilled hands.

The two groups work in close proximity; the physical distance between them can be measured in yards. But the cultural and mental distance is considerable. They represent two different worlds which do not understand each other. The wage earners cannot understand the Kibbutznik, they regard him as queer and abnormal, haughty and exclusive. Has anyone heard of people who work of their own free will without pay or reward, and, what is even more puzzling, very long hours? Kibbutz life looks grotesque and bizarre to the newcomers, especially those from Asia or Africa. They cannot understand what is behind it. Not understanding the essence, the mythos or the ethos of the Kibbutz, they distrust it, they feel that there may be some catch in it, especially when membership in the Kibbutz is offered to them. "They want me to work for nothing, just for my keep," they report on the event. The member of the Kibbutz tries to explain to the wage earner the ethos of the working class, its calling and mission in the world, but all that falls on deaf ears.

The Kibbutznik is a political man. Being free from most cares and troubles which beset an ordinary man in the city, his needs and wants taken care of by the community, he turns his attention and interest to the community itself and to society at large. The Kibbutznik lives for and by the community. This is the background of the extreme politization of Kibbutz life. The interests and cares of the community are his in a most real and strict sense. After all, man must have problems and questions to solve, and the relative lack of personal problems invites collective problems.

The wage earner presents the greatest contrast to the Kibbutznik in this respect also. He is full of personal problems, cares and troubles. Outside his work, but during his work as well, he thinks only about his family and himself, about his home, about food and the amenities of life which loom large on his horizon, beset as he is with hardships and deficiencies.

In addition, the Kibbutznik is generally a man of learning, a reader, a person of certain intellectual standing, while the wage earner, recruited mostly from *ma'abarot* or immigrants' villages, is frequently a dull individual lacking the rudiments of civilized manners as understood in the West.

The two layers present an extreme contrast, rarely seen in any work community. Their co-existence is purely physical and is not helpful to either layer. It is therefore, not surprising that the Kibbutzim think and talk con-

stantly about replacing the wage earning class in their establishments not only for the sake of principles.

Besides, the work of the wage earner does not seem to be very productive. Norms and premiums are not applied as a matter of principle, and supervision is very lax. The Kibbutznik would not think of applying pressure in order to obtain more output from a worker. That would be regarded as immoral, as following the old methods of capitalist exploitation. When you ask a Kibbutznik, "How do these people work?" he answers simply: "Every one works as he can." And when you ask whether there is a difference between the attitude to work of a Kibbutznik and that of a wage earner, he says, "We work for ourselves, while they don't."

In summer time the Kibbutz members work nine hours while the wage earners put in only eight hours, and in case of need the Kibbutznik works overtime two to three hours a day. The number of holidays round the year is usually smaller than that of the wage earners. In most cases only six or seven annual holidays are observed like *Rosh Hashana, Yom Kippur, Sukkot, Pesach, Shavuot,* May First and Independence Day,* while the statutory holidays of wage earners in most Israeli industries are more numerous. Also the yearly vacation allotted to the Kibbutz members is more restricted, usually six days for younger members up to 35 years of age, and up to a fortnight for older ones.

Absenteeism is practically unknown among the Kibbutz members, apart from cases of serious illness, while absenteeism of the wage earners in some establishments can be as high as five to six per cent.

* *Mapam* Kibbutzim do not observe all the Jewish religious holidays.

An interesting question to consider is that of the turnover in labor. Do members of the Kibbutz work in their industrial establishments permanently or do they change?

Work in a factory is not very popular among the Kibbutz members, especially among the young ones. It is considered a job for middle aged or elderly men, or for people who are not very strong and healthy. It does not carry a prestige value among the Kibbutz members. When a younger man is needed, the members are asked to volunteer, or are selected by the work organizer *(sadran avoda)* of the Kibbutz. A middle aged or elderly man would work in the establishment permanently while a younger man would prefer a change after a short time. However, he cannot leave at will, like a wage earner. He has to stay in the job until a suitable replacement is found. It may take half a year or a year until he is released.

A Kibbutz member does not feel that he must continue at this job for life in order to "succeed." He has no personal ambitions apart from the ambition to be a good Kibbutz member. Therefore, when he finishes his job with the permission of the *sadran avoda* he does not lose anything in economic or social terms.

If he is bored with the job he will get something else, if there is an opening. If most members feel that work in the establishment is boring and gives little in return, they may try to convince the general assembly of the Kibbutz to give up the establishment altogether.

But even if the intrinsic work satisfaction is small a member hardly suffers from monotony, since he works with his comrades and within the framework of Kibbutz life. He has no time to be bored; he is taking part in the full and rich Kibbutz life, and is kept very busy all the time, including most of his evenings. Even the simplest

work for the Kibbutz is charged with certain emotional overtones which make the work more interesting and satisfying.

At present Kibbutz industry is in the throes of stagnation, primarily because of a lack of manpower which it shares with the entire Kibbutz movement, and secondly because of its inherent weaknesses in productivity and efficiency. The will to productivity is the prime factor in any drive towards productivity and this will is lacking in Kibbutz industry.

Nevertheless, Kibbutz industry is an extremely interesting and significant venture and not only for Israel. It contains potentially many answers to the present day malaise of industrial society in which work has lost its meaning and its content, has become depersonalized and devitalized, is out of joint with the deeper aspirations and needs of man and especially with his need for self-expression and self-assertion. The Kibbutz industry attempts to revitalize industrial work, give it new meaning, and combine it again with social and cultural life.

7. Co-Operative Industry

In a formal sense every Histadrut enterprise in *Koor,* or such public enterprises as *Tnuva, Hamashbir,* or Kibbutz industry, are co-operatives. But in the strictest sense co-operative industry includes only enterprises owned and staffed personally by its members who regard their share as a private investment which can be sold.

There were 241 such co-operatives at the end of 1953

with a total membership of 2,671 and total manpower of 4,336. Mostly they operate small enterprises, of from six to 50 men, and only very rarely larger ones. To be exact, 94 per cent of all co-operative enterprises, and 73 per cent of all men engaged in them (end of 1953) were in enterprises employing six to 50 men. Two thirds of these enterprises were in the food, wood, metal, electricity, and building materials industries. The rest were spread over other branches of industry.

Co-operatives flourished in times of inflation, but since 1951 they have been in decline. There were 288 such enterprises in 1951, 255 in 1952; 241 in 1953. New enterprises are being registered but their deathrate exceeds their birthrate. The atmosphere is that of crisis, crisis not only in economic but also in social terms.

The myth of co-operative industry at one time was very strong in Israel. It was regarded as the key to a new socialistic type of society which would do away with hired labor. The co-operative system seemed ideally suited to the character and habits of the Israeli, to his quest for independence and freedom. This myth is now subsiding and one rarely hears nowadays expressions of such high hopes.

There are many reasons for this development, some external and some internal. The main external reason is shortage of credit. Co-operative enterprises always seem to be short of money as their capital structure is tight, barely sufficient for keeping up its equipment, but hardly adequate for the smooth running of business. Working capital seems to be their Achilles' heel. Their credit facilities are very small, which in Israeli conditions is a most serious factor causing failure. Twenty per cent per annum in the private market is not regarded as an unusual rate.

Once the customers stop paying regularly, and the enterprise has to fall back on private credit, it is lost in the struggle for survival. There are co-operative banks but their funds are small and insufficient.

But even more serious are the internal handicaps. They are linked mainly to the unusual mixture of co-operative ideology and individualistic psychology of the membership.

First there is a high percentage of hired labor. Its overall proportion in the total manpower engaged in industrial co-operatives at the end of 1953 was 39 per cent. Roughly speaking there were four hired men for every six members in the co-operatives. This not only complicated the running of the enterprises but also considerably strained their internal structure. The workers were divided into first and second class personnel. The members were expected to work harder and better, to set a good example to the hired labor. But in fact this was not so. The members claimed the easy, or supervisory jobs, often without proper qualification, and they claimed other privileges as well.

But in times of crisis, their privileges turned into liabilities, as their wages had to be cut and their working hours prolonged. It was often reported to me during my visits to such enterprises that in bad times the members were put on part-pay, while the employees had to be paid fully, or when arrears in wages were inevitable those who suffered most were more often members than employees.

In bad times the only advantage a member of a co-operative had over the employee was the security of the job itself, with half pay, or no pay at all, while the employee had to go. But this was in fact a very problematical advantage as the member had to stay to watch over his

investment, while the reward for his work was often practically non-existent.

Social relations between the two groups of workers in most enterprises are tense and strained at best, and irritating and troublesome at worst. This situation, of course, does not contribute to the success of the enterprise. The crux of the relationship can be expressed in the phrase often heard among the employees: "Too many bosses around."

In some of the co-operatives which I visited the usual arrangements did not come up to the social standards set up by agreement between the Histadrut and the Manufacturers' Association. For instance, in one large enterprise with 180 workers of whom less than half were members of the co-operative, the wage system was based on piecework, while there was no Joint Production Committee as required in such cases and in spite of the fact that the employees asked for the establishment of such a Committee.

Next comes the relationship of the members to the co-operative itself which is perhaps an even more important drawback. The fact is that members frequently do not regard the co-operative as the final stage of their journey towards independence. While working in the co-operative they look round for an opportunity to jump out of the business and start a workshop of their own. In this way the co-operative often loses its best members who deprive them not only of working capital, but also of the best craftsmanship. On this count I heard a number of stories which were actually cases of complete crippling of the co-operative's chances of existence.

The relationship between members themselves are also far from what is to be desired. The principle of full equality in pay for all members does not work out as expected,

especially in larger co-operatives. Some members are more skilled and capable of better and harder work than others. Here again the individualistic spirit re-asserts itself. "Why should I work harder for the same money?" a member will ask himself, and a certain tendency towards low scale performance sets in. If large differences in performance cannot express themselves in differences in pay, an atmosphere of grievance and frustration gets hold of members and the standard of performance declines.

Also, the management structure creates handicaps. It often lacks experience and expert knowledge. Experts are rarely invited, as there is no money for such matters, and their advice is subject to the agreement of the members concerned. The best men are reluctant to take on managerial positions which are difficult, even more difficult than in a private enterprise, as they are more often open to criticism from all sides, while being virtually without any reward.

Once a year the management is renewed by elections in the General Assembly of the members. Often the management has no time to get acquainted with all its problems and before it acquires experience, it is on its way out. The responsibility of management is always collective. There is hardly a single general manager with central authority. Meetings are long and frequent, and "meeting sickness" is a real handicap to decision and responsibility. The lines of responsibility are blurred, and the answer given to any question is, "Why pick on me?"

Cliques and coteries are formed, some belonging to the "government party," and some to the opposition, and the political game is often enacted with the same effect as in the larger forum of the State of Israel.

The Israeli experience has proved once more that the

success of the co-operative enterprise is primarily not a question of equipment, technique, capital structure or any institutional arrangement, but of morale and psychology.

An individualistic psychology can hardly be combined with co-operative institutions, and one or the other must go. Members who think primarily about the co-operative as a transition to something else, and in terms of what they can get out of a co-operative, are hardly suitable to foster co-operative enterprises.

It seems that the co-operative form is more suited to agriculture, consumers' needs, marketing, credit and finance, insurance and housing than to direct industrial enterprises. All those branches mentioned above are actually doing much better than the industrial co-operatives.

Part Five

THE LABOR MOVEMENT AND ITS IDEOLOGY

1. General Characteristics of the Histadrut

The *Histadrut Klalit* (The General Federation of Jewish Labor) is of such enormous importance not only to the individual worker and to labor, but to the country as a whole, that we can hardly do it justice in a few pages of a book dealing with larger issues. However, there is no possibility of fully understanding our subject without bringing out the essentials of the Histadrut's existence, its role, structure and function in labor relations and social life at large.

The Jewish labor movement can be divided into two groups: purely political labor movements, which are mere-appendices to a specific political party, and the confederated labor movement by which I mean the Histadrut itself.

In the first group there are three movements, which I

list in the order of their importance in terms of membership:

1. The Movement of National Workers which is organized by the *Herut* (Freedom) Party. The party itself has members among both employers and employees. It claims about 10 per cent of all organized workers. Its main center of activity is in the Tel-Aviv area where it has control over Workers' Committees in a number of firms in which it has also concluded collective agreements. But still its purely trade union activities are undeveloped and there is hardly a division of workers according to their trades and industries. Nevertheless it is the strongest of the movements aside from the Histadrut itself, and it gained momentum after the *Knesset* elections of 1955. It is especially strong among clerical and technical workers. It has its own well organized Sick Fund with dispensaries, clinics and convalescent homes, and other insurance funds.

Next of importance is the Movement of Religious Workers *(Hapoel Hamizrachi).* It claims about seven to eight per cent of all organized workers, but it has no union activities as such nor its own Sick Fund. In all these activities it co-operates with the Histadrut. The arrangement is that the members of *Hapoel Hamizrachi* are not members of the Histadrut as a whole but they are members of one of its unions, i.e. they take an active part in purely trade union activities of the Histadrut, and participate in its health service *(Kuppat Holim).*

The third labor movement is that of religious workers with a more orthodox bent, under the name *Poalei Agudat Israel.* It is the weakest movement, has scarcely developed union activities, and its members do not at present take part in the union activities of the Histadrut.

However, all three movements co-operate with one an-

other and with the Histadrut in one important field, namely in the running of the Jewish Labor Exchange System which is based on a partnership of all the Jewish labor organizations.

Now we come to the Histadrut itself, which is the strongest and best organized movement, and really decisive for all aspects of labor relations. It comprises about half of the Jewish adult population of the country and about three quarters of all workers (in the Histadrut sense, meaning wage and salary earners plus independent workers and members of co-operatives).

As the title of the Histadrut suggests, it is a federation of Jewish labor. In what sense is this title true, and in what sense is it misleading?

The Histadrut is not a federation of labor unions. At the time of its foundation in 1920 labor unions hardly existed,[1] at least not on a national scale. Only small local unions existed, like that of printing workers, or Jewish railway workers, or in agriculture and building. On the national scale there was only one union, that of clerical men, founded in 1919. All other national unions came into existence later,[2] in most cases 25 years later. Most national unions started after the Sixth General Conference of 1945 on the basis of its general resolutions which called for the establishment of such labor unions. A very large percentage of these labor unions were called into existence by and through the efforts of the Histadrut itself,

[1] Although the first local union was formed as far back as 1887 in Rishon-Le-Zion, or 1890 in Rehovot.

[2] The citrus packers founded their national union in 1929; seamen in 1938; engineers and architects in 1945; building and textile workers in 1946; metal workers, printers and wood workers, workers in food industry, agricultural wage-earners, civil servants in 1948; taxi drivers, civil employees in the Army in 1951; bakers in 1952, etc.

some even after the establishment of the State. The Histadrut felt the need for such unions and they were formed accordingly.

At first the Histadrut was mainly the organization of members of farm collectives and co-operatives (the Kibbutzim and the rural settlements) and the center of gravity of its organization is still there. Even now, although wage and salary earners form the majority of its members, the influence of the Kibbutzim and rural settlements is predominant in many ways, through their hold on the parties controlling the Histadrut through their higher standards of education and greater interest in the organization.

The Histadrut, therefore, is not a federation of labor unions, it is a monolithic structure, all of one piece. The usual historical process in other countries—first labor unions and then their federation as a superstructure—is completely reversed in the case of the Histadrut: here, first came the Federation and then the unions. But we must remember that when the Histadrut started there were only a handful of industrial enterprises with a few thousand workers. The membership of the Histadrut grew from 4,433 in December 1920 to 509,000 in 1955.

But the Histadrut is a federation in another sense, namely politically. It is a federation of all political parties which claim working class interests or working class membership. We cannot say "working class parties," because the Progressive Party, the General Zionist Party, and the independent wing of the Religious Workers take full part in the Histadrut and are not working class parties only but organize other layers of the community including employers. The Histadrut is based on the co-operation of the following seven parties: *Mapai, Ahdut Avoda, Mapam,* General Zionists, Progressive, Communists and the Re-

ligious Workers *(Haoved Hadati),* with *Mapai* providing a clear majority (57.74 per cent in the last elections, May 1955), and with the first three parties listed providing the bulk of the membership (about 89 per cent).

Originally the Histadrut was a confederation of working class parties only, but since the participation of the non-Socialist Progressive Party *(Haoved Hazioni),* and more so since the participation of the anti-Socialist General Zionist party, it is a confederation of all parties, which have any working class membership. At one time the Histadrut claimed a Zionist-Socialist character, but since the Communists who are not Zionists are in the Federation and a number of parties are non-Socialist or anti-Socialist, this claim is no longer valid.

However, since the three leading parties *(Mapai, Mapam* and *Ahdut Avoda)* have a definite class philosophy based on a unique combination of Zionism and Socialism, it can be said that the Histadrut reflects this philosophy in action, at one time Zionism gaining the upper hand, at another Socialism.

In the international field the Histadrut belongs to the International Confederation of Free Trade Unions which it joined in 1953, and all its labor unions joined the respective international Secretariats co-operating with the I.C.F.T.U.

The Histadrut is both political and a-political. It is a-political in the sense that it does not follow one party line, based as it is on co-operation of so many divergent parties often bitterly struggling against one another. On the other hand, it is very political in its structure and character, since its organs and representations are elected on a political basis by a ballot in which the political parties present their lists of candidates in a national forum.

The system of election (equal, direct, secret and proportional) is very much like that for the *Knesset,* and most of the national parties take part. The Histadrut member votes for national representatives of his party, whom he sends to the Convention, not for his local union representatives whom he knows.

Both the highest authority, vested in the Convention, and the most humble Labor Council in a town or village, are elected according to a political key based on principles of proportional representation. Thus the Histadrut is a politically built structure which tends, however, to overcome its political divisions by eliminating internal political strife. It proclaims peace within. Its political neutrality however is merely an aspiration, while its political character is a fact.

This political character can be seen most clearly in all the debates in Histadrut institutions, Conferences, Councils, or Executive Committee. One speaker after another puts forward his view not in a personal capacity but as a representative of his party. The reports quoting the name of the speaker also gives his party allegiance. Discussion rarely takes place between members of the same party, but between parties.

The political character makes for both the strength and the weakness of the Histadrut. The Histadrut has a strong center of gravity in the *Mapai* with its clear majority; if this majority were lost the danger of vacillation at the helm would become very real. As a confederation of political parties the Histadrut must also be very cautious in its actions not to strain the loyalty of opposition parties, and to avoid divisions and ruptures.

Freedom of action is really small and space for maneuvering is very restricted both by its huge mass of member-

ship with contradictory interests and by the number of parties with opposing ideologies.

The tendency toward political and ideological divisions within the Histadrut has asserted itself constantly. There was a time when 80 per cent of the Histadrut membership belonged to one united workers' party. Now the parties are so numerous and have such a range of contradictory programs that the apparatus and the machinery of the Histadrut itself comes to the fore and predominates in programs and ideology.

The main weakness of the organization lies in party rivalry and agitation. All issues are party issues and the danger of playing to the gallery is very real. Actually all important decisions are taken outside the Histadrut, in party headquarters. What *Mapai,* perhaps in conjunction with one or two other parties, decides in its inner party-caucus goes for the Histadrut. In this way the center of gravity moves from the Histadrut to the party.

Let us now consider how far the term "General" in the title of the Histadrut applies to this organization.

It does not apply in the sense that it is the only labor organization in the country, as already shown; but it applies in the sense that it is the principal and by far the largest organization. It applies also in the sense that it covers all kinds of fields of activity in which labor organizations might interest themselves. This points to the unique character of the Histadrut. It was actually the forerunner of the Jewish State, covering all aspects of social, economic and cultural life and most of the pioneering activities of Jewish society. This explains many of its unique features, among other things the fact that, while labor organizations in other countries often opposed immigration of foreign labor, the Histadrut has always been

instrumental in the active organization of Jewish immigration and in the task of the absorption of immigrants.

The Histadrut is often regarded abroad as a Trade Union only. But it is doubtful whether one can call it simply a Trade Union. It has Trade Union activities, but it is questionable whether these form the most important part of the Histadrut. In its budget only 38½ per cent of the workers' dues *(mas ahid)* goes to central and local organizations of the Histadrut, including Trade Union activities, education and culture, and, of course, a much smaller percentage to union activities pure and simple.

The Histadrut is actually a combination of union movement, co-operative movement, comprehensive health service, mutual aid society and social insurance work, land pioneering in rural settlements of various kinds, industrial development, workers' education movement, machinery of Labor Exchanges and so on. Such a combination is, as far as I know, unknown in any other country. In England, for instance, the Trade Union movement, the mutual aid society movement, the co-operative movement, the workers' education movement, all developed separate organizations, while some services such as Social Insurance and Health Service, are run by the State. So is the network of Labor Exchanges. Basic industries are nationalized and not run by the trade unions. From this one comparison one can see the inroads which the Histadrut has made in fields which in other countries are reserved for other bodies.

Actually, there are four main lines of Histadrut activities:

1. Education and culture.
2. Health service and social insurance.

3. Economy.
4. Trade Unions.

Each of these has developed many basic, as well as subsidiary, institutions.

To start with the workers' education movement, the Histadrut has its own publishing house *(Am Oved),* its own newspaper *(Davar)* and periodicals, its own trade union college. Since 1945 the Histadrut has maintained a special Department of Vocational Education and Training with a series of trade schools and training centers and many other institutions dealing with education and training, including a chain of 200 libraries.

The sector of health and social insurance has at least four main classes of insurance. Firstly, social insurance on a national scale, such as the Health Service *(Kuppat Holim),* with its very comprehensive network of 884 dispensaries, 14 hospitals, and 12 rest homes, with 1,500 physicians and 2,100 nurses serving 1,050,000 people. Another insurance system on a national scale is the Invalid Fund. Secondly, social insurance within a single industry such as the fund for building workers, the fund for agricultural workers, the fund for industrial workers, the fund for citrus packers, or special funds in rural settlements.

Thirdly, there is social insurance within a single enterprise, such as the Compensation Fund *(Kuppat Tagmulim)* for retirement. Although there exists a national center for those funds under the name of *Muvtahim,* insurance in this field is scaled to the single enterprise.

Finally, there is mutual aid, not on the basis of insurance but rather as grants-in-aid, like the fund for aid to elderly workers (called from "Generation to Generation" —*Dor l'Dor*), or the Assistance Fund *(Mish'an)* for quick, short term aid. The Work Fund *(Keren Avoda),* previously

Unemployment Fund, is now used mostly for credits to firms to stimulate additional employment.

In the realm of economic enterprise the institutions are so numerous and heterogeneous that it is hardly possible to do it justice by mere enumeration. Still we may distinguish here six main large fields of activity, each with characteristics of its own:

1. Rural settlements—*Kibbutzim,* Moshavim and Moshavot—with their numerous and varied institutions, including their own industry and their special trade organizations. In certain respects some of these approximate Trade Unions such as the Union of Fishermen *(Igud Dayagim),* which is a mixed union of Kibbutzim and Moshavim as well as wage-earners. By the end of 1954 there were 474 labor agricultural settlements with a population of over 150,000 and with 500,000 acres of cultivated land.

2. Pioneering and building ventures. The Histadrut plays a leading role in housing construction and road building through the powerful and all embracing *Solel Boneh* which employed about 15,000 workers in 1954.

Here we may also mention other pioneering ventures, such as the Water Corporation *(Mekorot)* owned jointly with the Jewish Agency, the most important and leading instrument for water planning and development in the country; the first shipping company *Shoham,* a joint Government-Histadrut venture; the Port Service Company in Haifa, a daughter company of *Solel Boneh* employing the dockers of Haifa. These are actually the key operations in opening up and developing the country.

3. Histadrut industry which is administered by *Koor,* as a subsidiary of *Solel Boneh.*

4. Large national co-operatives belonging to the rural

settlement movements such as *Tnuva* for marketing agricultural produce; *Hamashbir Hamerkazi,* the Israel Wholesale Co-operative, which is the leading supplier of agricultural settlements and consumer retail societies, *Yakhin-Hakal Ltd.* public contracting company for agricultural enterprises, especially in the field of citrus groves. To *Hamashbir Hamerkazi* belong also factories in light industry, in food processing, like *Shemen* in Haifa which employs about 500 men and the textile firm *Slilim.*

5. Large scale co-operatives of a semi-private character, like *Egged* for inter-urban transport and transport in Haifa, *Dan* for bus transport in Tel-Aviv, and *Hamekasher* for bus transport in Jerusalem. They are under the wing of the Histadrut, and under its strict supervision, although they belong to their members as their private property, and the shares, which are quite valuable can be sold. A member's share in *Egged* is valued at present at IL 9-10,000.

6. Finally, completely private co-operatives which are under the wing and control of Histadrut, as for instance the glass factory *Gavish* in *Rishon le-Zion,* with about 180 workers of whom half are members, the rest wage-earners.

Thus we see the enormous scale and variety of Histadrut economy, which employs a very large percentage of all "workers" (in the Histadrut sense) in the country (about one fourth of the total) and produces a large part of the national income (also about one fourth).

2. The Government of the Histadrut

The Government of the Histadrut is a very complex affair based on many rules and provisions, as well as customs and traditions. One cannot always go by the provisions of the by-laws. They may say one thing, while in practice the situation may look quite different.

But before entering the complex field of rules and government, let us first review the provisions for membership.

There are four main classes of members:

1. Members of co-operatives, especially in Kibbutzim and Moshavim.
2. Wage and salary earners.
3. Self-employed artisans or professionals including artists.
4. Housewives working in their homes.

Among the 510,000 members of the Histadrut in 1955 there were about 162,000 housewives and about 72,000 members of Kibbutzim and small holders' settlements.

The membership of housewives with full voting rights is a tribute to the important role of the housewife in a modern society, and is intended to raise her status which is necessary in Israel, especially among the Middle Eastern population, considering the many limitations in her marital status under Rabbinical law. But at the same time it introduces a large amorphous mass of voters whose civic education, especially in the Middle Eastern population, is low, and who are subject to all kinds of unexpected influences.

The center of gravity, as far as numbers are concerned,

moves with the industrialization of the country toward the group of wage and salary earners; however, up to the present the self-employed are predominant in representation in the highest authorities of the Histadrut.

If we disregard housewives, we have three main classes of membership, which in fact can be reduced to two: the self-employed, including those in Kibbutzim and Moshavim, and the wage and salary earners. The two groups show entirely different characteristics.

The members of rural settlements are mainly old timers *(vatikim)* with a very strong class-consciousness, a crystallized outlook and social philosophy, and high standards of education and culture, well rooted in Hebrew and Israeli tradition. The wage and salary earners are, in the main, newcomers, new immigrants with low standards, in need of care and help in many respects.

Consequently, the status of the two groups differs. The rural settlement movement enjoys a much higher status and greater independence than the wage and salary earners' group.

The Histadrut is a mass organization in the truest sense. It includes about one third of the whole Jewish population. But this figure cannot be compared with the percentages of trade union membership in other countries. When we read that in Britain about 18 per cent of the population are members of trade unions, and in the United States about 12 per cent, that cannot be compared with the 33 per cent in Israel, if for no other reason than the fact that in other countries housewives are not members of trade unions, and these unions include only wage and salary earners.

If we exclude housewives (162,000), members of Kibbutzim and rural settlements (Moshavim) who are not

wage-earners (72,000), the Histadrut Youth (15,000 up to the age of 18), as well as some professional men and artisans (at least 10,000), the wage and salary earners in the Histadrut would amount to no more than 250,000 which would come close to the British percentage of trade union membership in the total population. But this still must be regarded as a remarkable achievement considering the much smaller ratio of industrial population in Israel.

The other unique feature is the characteristic distribution between wage earners and salary earners. Of the 250,000 wage and salary earners organized in the Histadrut, the wage earners number 145,000, of them about 77,000 in industry and 68,000 in building, transport and agriculture. The remaining 105,000 are salary earners. We see from these figures how relatively small is the number of wage earners in the total membership of the Histadrut.

Now a few words about the rights and duties of members. The main right is to participate in all the affairs of the Histadrut, and to take advantage of the many health, insurance, housing, co-operative, welfare, educational, and assistance schemes offered to members. The main duty is to pay the membership dues amounting to four per cent of the salary up to a maximum of IL 250. Dues in most cases are deducted directly from the wage envelope, in an organized way. In the United States this is called the "check-off." It is the regular method in industry and all public or semi-public institutions, as stipulated in the collective agreement, and about 70 per cent of all Histadrut dues are collected in this way. This method is practically unknown in Britain, and in the United States it is prohibited by the Taft-Hartley Law (1947), unless the individual worker gives his formal consent to such a procedure.

Moreover, the Histadrut by agreement with employers collects also from non-members certain dues called "organization fees" *(mas irgun)*, meaning fees for all the benefits of organization accruing to non-members from participation in the general social and bargaining achievements of the Histadrut. This organization fee at present amounts to two to 2½ per cent of the wages, making the difference in dues between belonging and not belonging to the Histadrut only 1½ to two per cent. For 1½ to two per cent more the worker can have all the specific benefits of the Histadrut organization including its Health Service. Needless to say, this sort of arrangement is an important incentive for joining the ranks of the Histadrut.

A member also has the duty to conform to all decisions of the Histadrut authorities and its Court of Honor, and not to show disrespect to Histadrut institutions.

Every member joining the Histadrut undertakes to appear before the Histadrut Court of Honor should he be summoned by another member or by the authorities for breach of Histadrut discipline. Any dispute arising between a member and one of the Histadrut institutions is referred to a special Control Commission whose duty it is to see that the by-laws, integrity and fair conduct are observed in the administration of all Histadrut institutions.

In practice, discipline is quite good as far as the wage-earners' section is concerned, but less so in the salary earning section, still less among the self employed, and practically non-existent in the section of professional and academic workers.

Let us now review briefly the complex set of rules and by-laws concerning the Government of the Histadrut.

Here a clear distinction must be made between the general body of the Histadrut as a whole, and its many specialized agencies including labor unions. There are authorities governing the whole body of the Histadrut, and authorities governing each main sector, including local and national labor unions. The general principle prevails that specialized authorities are subordinated to general ones in such a way that unity of action can be maintained. However in practice this general principle is applied with varying degrees of success. Some specialized bodies enjoy practically full independence. A large measure of independence is granted to the Histadrut economy, both in rural settlements and in industry, while there are other bodies which are kept in strict dependence. This applies especially to labor unions, both local and national.

Another clear distinction must be made between central and local bodies. In both general and specialized agencies there are central authorities operating for the whole country, and local authorities operating only for a town or large country village.

The Histadrut as a whole and its central agencies follow a trinitarian pattern: National Convention, General Council, Executive Committee. The National Convention is the main legislative body and meets once every four years in principle, although in practice much more rarely. There have been only eight conventions in the 36 years of the Histadrut's existence up to 1956, and seven years elapsed between the seventh and the last convention in February 1956. Between Conventions, the General Council, assembling in principles once every four months, acts as the highest authority of the Histadrut. Next comes the Executive Committee (of 58 members), meeting once a fortnight and acting as the highest executive body of the whole Histadrut. The General Convention is elected by

the entire membership once every four years; the Council is elected by the Convention, the Executive Committee by the Council. The Executive Committee appoints a smaller body from its own membership to serve as the Executive Bureau *(Vaada Merakezet)* and elects its General Secretary.

The General Secretary is thus elected by indirect voting in three consecutive bodies; therefore his status is not backed up by the prestige derived from a direct mandate of the electorate, as happens in many British or American unions. The office of President which is the main office in American unions does not exist in the Histadrut.

All the governing bodies mentioned above are smaller replicas of the National Convention, i.e. composed of representatives of parties in proportion to their voting strength at the elections once every four years. This means that all minority groups are represented in these executive organs according to their voting strength.

The actual government, i.e. the center of power, is concentrated in the Executive Committee *(Vaad Hapoel)* and its Executive Bureau. The Executive Committee itself is divided into two main departments: one for economic activities directed by the *Hevrat Ovdim* which is the holding company for Histadrut enterprises and co-operatives, and another for labor unions.

Next we turn to the local authorities in the general body of the Histadrut. Here authority is concentrated in Labor Councils *(Moetzot Hapoalim)* which exist in every town and larger settlement. In 1956 there were about 57 such Councils covering about 180 municipal units. The Labor Council is conceived as the strong, unitary authority on the local level of the general body of the Histadrut to which all specialized agencies, including labor unions,

are subordinated in all local affairs. It is the counterpart of the local Trade and Labor Councils in Britain or in the United States but with a considerable difference. In England or in the United States they are more fragmentary and less stable, with little authority or executive power, while in Israel they are permanent, highly integrated bodies, with authority of their own, and strong executive power. Their authority is derived primarily from the fact that they are elected once every four years by the entire electorate of the locality (including housewives) on the same basis of proportional representation of all parties as the general Convention. Here we also see a three way division of powers. First, the full Labor Council is elected by all the Histadrut members of the locality once every four years. In turn, this Council elects an Executive Committee, and this in turn elects the Secretariat and the General Secretary of the Labor Council.

Again, representatives of parties sit on all these bodies according to their voting strength in the locality. And here the weakness of this political system is even more apparent, as local affairs hardly lend themselves to political treatment.

The Labor Council has many Committees, dealing with organization and membership, education and culture, housing, co-operatives, mutual help, etc.

This is, roughly, the general set-up of the Histadrut as a whole and it is against this background that we must consider the organization of the labor unions themselves.

3. Trade Unions Within the Histadrut

It is clear from this brief description of the general structure of the Histadrut that it is not primarily a trade union, but that it conducts trade union activities among others. Trade unions are subordinated to the Histadrut central organization in many ways. While one cannot become a member of a trade union without first joining the Histadrut, there are Histadrut members who do not belong to any trade union or who belong to more than one union. In many cases the unions did not come into being through their own efforts, they were simply set up by the Histadrut on the basis of decisions taken by the Convention, the Conference, or the Executive Committee. The unions have no financial independence; by and large they have no separate membership fees. The member of the union does not pay his dues to the union, he pays the *mas ahid* to the Histadrut.

In most cases the unions have no budgets of their own. The expenses of the unions are paid from the general funds of the Histadrut; the expenses of local unions by the local Labor Council, and the expenses of national unions by the Executive Committee of the Histadrut.

Most unions have no legal existence in the sense that they cannot acquire property or enter into obligations as such, only the Histadrut can do this. Some of the unions have special funds, like Insurance Funds which have legal existence, but they themselves are only part of the Histadrut.

The appointment of the secretary of the local union must be confirmed by the local Labor Council of the

Histadrut, and the appointment of the secretaries of the national unions must be confirmed by the Executive Committee of the Histadrut. Their salaries are paid from general funds of the Histadrut. All major decisions, including strike actions, must be confirmed by the general bodies of the Histadrut. A number of unions are entirely run by officers appointed by the Histadrut authorities.

Only a few unions have statutes and by-laws of their own. In most cases the unions function within the general statutes of the Histadrut. However, there are unions with greater authority, mainly those which were formed independently and outside the Histadrut and which joined it later on, already fully developed. This is especially true of the unions of professional and academic workers which assume greater independence, often defying the authority and discipline of the general Histadrut institutions. This was shown most clearly in the unofficial strikes of the intelligentsia in 1955-1956.

Union structure is built on three levels:

1. The lowest level is that of the Workers' Committee in every plant or establishment.
2. The local union.
3. The national union.

There are some smaller unions which operate only on the local level without a national superstructure. For instance, the Union of Haifa Dockers is a local union which has not joined any national organization. There are also some crafts like tailoring, hairdressing or hotel work whose unions remain on the local level under the authority of the local Workers' Council.

However, most unions have a comprehensive national organization. Some local unions have found provisional shelter in national organizations which are by nature for-

eign to their own trade. So it happens that workers in the rubber industry, or refineries, or chemical industry have joined the metal workers' union.

Local unions are subject to dual supervision and control, for local matters by the local Labor Council, for national matters by their national union. The national union is subject to supervision and control of the Executive Committee of the Histadrut.

The structure of the union is, on the whole, a replica of that of the general Histadrut bodies. A local union has a Council elected by its members, again on the basis of a proportional political vote; the Council elects the Executive Committee and the latter elects its secretariat. A national union is governed by a Convention elected by the members on the basis of a proportional political vote for the country as a whole, and the Convention elects the Executive Committee and the secretariat. As in the main body of the Histadrut, minority groups are represented in these elected executive organs in proportion to their voting strength. However, in a number of unions elections have not been held for a great many years, and the national organs are bodies appointed by the Histadrut on the basis of an inter-party agreement.

The more independent unions bear the word Histadrut Federation in their names such as the building workers, clerical workers, teachers, or engineers. In most cases they have national organs elected in the way indicated above. Most other national unions bear the more modest name of *Igudim* (unions). One large union, that of the agricultural workers, has a special status. Its executive is appointed by the Agricultural Center *(Merkaz Haklai)* which is elected by all members of the Histadrut working in farming, including members of the Kibbutzim and rural

settlements. This union is actually not a representative of the agricultural workers (wage earners) not being elected by them; it is appointed by a body elected primarily by independent farmers, including members of the Kibbutzim and Moshavim.

Members of the unions are mostly wage and salary earners; however, members of co-operatives also take part in unions although in a more passive way, as they need no union protection. In some cases Kibbutz members also join unions if they work in a trade, for instance as printers, in the *Nesher* cement factory in Haifa, or in building.

Altogether there are 26 national unions. The largest are those of the metallurgical workers claiming a membership of about 35,000, the clerical workers with 45,000, the building workers with 30,000, the textile workers with 13 to 14,000, the food industry 14,000, and the woodworkers 8,000. The smallest are the unions of painters and sculptors, musicians, family case workers, doctors, etc.

Union organization is sometimes based on craft or profession, sometimes on industry, or employment by one big employer. The intention of the Histadrut at first was to build a comprehensive, all inclusive system of industrial unions, as is evident from the resolution of the Sixth Convention of the Histadrut. This Convention called for the formation of four main Union Federations *(Histadruyot)* in building, industry, transport and agriculture, but this program has not materialized.

At present we have a number of industrial unions, like those of building workers, textile workers or workers in food industry; on the other hand there are craft unions like those of compositors in printing, or of carpenters, and, in addition, multi-craft unions such as that of citrus packers. A number of professions, such as engineers, physicians,

teachers, actors, painters and sculptors, have their own unions.

There are three big unions organized on the basis of employment by one employer. Those working for the government in manual, clerical and professional capacities have their own unions, to the disappointment of the Clerical Workers' Union which invites the clerical workers in the civil service to join them. There exists also a special union of those who work for the Army in the munition factories, to the disappointment of the Metal Workers' Union. The third union is that of workers in Histadrut owned industry.

Unions are still in the process of formation, and there is still an element of instability and experimentation. Some industries have not yet developed their own structures. Some industries are overorganized. In addition, there is some over-lapping. Some unions have been disbanded, or affiliated with larger organizations. Clerical men working in Histadrut institutions not long ago had their own unions, now they form a section in the Union of Clerical Workers. The Union of Railway, Post and Telegraphic Workers is now a section in the Union of Government Employees, etc.

In this short sketch of Histadrut activities one perceives the preponderance of the central bodies of the Histadrut over the unions. Union officers are not elected on union issues, union problems, or as union personalities. In many localities the wage and salary earners form a small minority of the general Histadrut electorate, and their preferences and aspirations may not be reflected in the composition of the bodies which have power over them. In day to day affairs the real center of gravity lies in the

local Labor Councils in local matters, or in the Executive Committee of the Histadrut in central issues.

Many trade unionists feel that the union progress is handicapped by this subordination to the comprehensive, all inclusive structure of the Histadrut. However, the tendency since 1949 has been in the direction of greater union independence from this general tutelage, and towards the strengthening of the purely union organization within the Histadrut, although this tendency has not yet had time to express itself fully.

4. The Workers' Committee

The cell of the Histadrut organization and the foundation of its power and strength in industry is the Workers' Committee. Practically every establishment, even the smallest which employs only five or six organized workers, has such a committee. The smallest establishments usually have one committee for clerical and technical staff as well as for manual workers; larger establishments usually have two committees, and the largest may have even three, for the clerical staff, the technical staff and for manual workers. However, there are some very large establishments which, on principle, have only one Committee taking in all employees. The largest single enterprise in Israel, the textile firm *Ata,* which employs about 1,550 workers in its two establishments (one in Kfar Ata with 1,200 men, and one in Kurdaneh with 350) has only one such Committee.

The policy of the Histadrut in regard to the number of committees is not very consistent, and the decision in

this regard is usually left to the men on the spot. Histadrut owned establishments administered by *Koor,* even those of the same size, have different arrangements in this regard. For instance, *Nesher* (Haifa) and the Middle East Tube Company (Acre) have three committees, while *Phoenicia* and *Vulkan* have two, and *Shemen* has only one committee.

The committees usually co-operate closely, and the secretaries are often in daily contact with one another, but sometimes friction develops. The question is often raised whether a single committee would not be more useful than separate committees, but the clerical and technical staff prefer separate committees arguing that within one committee their interests are not sufficiently safeguarded as they are often outvoted on main issues.

One general observation can be made about all three committees. The clerical or technical staff committee usually has much more restricted functions and its strength and status vis-à-vis management is lower than that of the Workers' Committees; its officers are not employed full time. It is usually a less politically minded, often a completely non-party body.

The Workers' Committee usually consists of five to seven men, but its membership can be as high as 19, as for instance in *Ata.* In large national and multi-unit firms like the Electric Corporation, *Hamashbir,* or *Tnuva,* there is a dual structure: a National Council or Central Committee for all units and local committees for each separate unit. For instance the Electric Corporation has a Central Council with 31 members and local committees for Haifa and Tel-Aviv. The Central Council deals with central problems on the national level, and concludes

collective agreements with the firm, while local matters are dealt with by the local committee.

Committees meet once a week, as, for instance, in *Ata,* or once a fortnight, once a month, or according to need. The committee works through its secretaries and a number of subcommittees.

Usually the committee is elected for one or two years. A term of office of only one year is generally regarded as unsatisfactory, as new members are often unfamiliar with the work, and a tendency to demagogy is likely to develop. A year is not a sufficient period to make for stability and orderly functioning of the committee and its authority. Before the members get acquainted with the problems they are out. Party squabbles are likely to develop in such a weak committee.

Each committee has at least one secretary, but large scale firms often have three to five, each covering a special field. For instance, *Shemen* has three secretaries, one for culture, one financial secretary, and one for bargaining with the firm and dealing with grievances. *Ata* has as many as five secretaries.

The job of at least one secretary of the Workers' Committee in a large establishment is a full time job. He has his office in the establishment, often with a typist, an accountant, or other help. Sometimes a full time accountant is employed, or an accountant of the firm may also serve the committee part-time. The employees' committee in *Ata* has a permanent staff of four men in its office.

The office space is usually offered free of charge by the firm and the secretary is also often paid by the firm an average wage, that which he earned previously on the job. But often the committee has its own funds collecting special dues deducted by the firm from all workers. For

instance, in *Shemen* men pay ½ per cent of their wage to the committee. In *Ata* the costs of the committee are covered ⅓ by the firm, ⅓ by the employees, and ⅓ by the Sick Fund. The costs of the committee in the Electric Corporation are covered by one to 1½ per cent of gross wages deducted by the firm.

Elections to the committee are arranged by a special election subcommittee of the outgoing committee under strict supervision of the local Labor Council. Usually the Secretary of the local Labor Council supervises the elections. The right to vote is usually granted to every permanent worker in the establishment, irrespectively of the union in the Histadrut to which he belongs. Often even unorganized men vote since they too pay a two or 2½ per cent organization fee *(mas irgun)* deducted from their wage by the firm. Individual candidates and not party lists are submitted to the voters and those who receive 51 per cent of the votes are elected. This is the only instance of election by a majority vote. In all other Histadrut institutions elections are based in proportional representation by party. However, the lists of candidates are usually drawn up on a party basis, and in most cases are arranged in co-operation with the local Labor Council. But this need not be so. The voter can pick names from any list and from more than one list. He votes for individual candidates. Usually, however, one party's list gets the majority. This is the reason why most committees have a clear majority of one party. It often happens that all members of the Workers' Committee belong to one party as in many Histadrut establishments.

Now what about the functions and responsibilities of the committees? The most important function is bargaining with the firm, first for the collective agreement. Once

a year regrading and promotion of workers take place and this is done by the management in co-operation with the Workers' Committee. Bargaining is actually a year round business, as complaints and grievances are presented daily and solved. "Israeli labor problems," as I was told by both sides, "are complex and complaints and grievances are a daily occurrence, so we are kept busy."

Friction and small conflicts between the workers themselves present another field of action. The Israeli worker is very sensitive, very dignity conscious, jealous of his honor and his principles. He will fight for his principles and for what he regards as his rights. Coming as they do, from so many ethnic and cultural backgrounds, workers often misjudge one another's intentions because they do not understand the others' habits and way of life. Hence even petty personal quarrels are shifted on to the committee. Every committee has its Court of Honor as the final authority for internal quarrels. But they are rarely brought to this level; conflict is usually resolved on the level of the secretary's authority.

The Workers' Committee assumes very important functions in the field of culture and education. It arranges lectures, talks, discussion groups, training courses. It often maintains a reading room and a lending library; it arranges for collective buying of books and periodicals. This work of the committee is admirable and of enormous value to the country as a whole. The educational needs of the workers, especially those coming from the Middle Eastern section, are great and pressing, and the Workers' Committee is the focus for the most significant activities in this field. Workers get thorough training in union matters.

Where incentive schemes are introduced (according to the National Agreement of 1952) and a Joint Production

Committee is established, the committee often sends its representatives to this body and takes an active part in furthering its activities. Sometimes the committee itself serves as a Joint Production Committee, as for instance in *Ata* which is not a party to the agreement mentioned above. Where there are co-management schemes as in the Electric Corporation, the Workers' Committee sends its representative to the Management Council.

In addition to these functions the committee administers many Funds which are at their disposal, such as the Sick Benefit Fund *(Keren Mahala)*, a Holiday Fund, Savings Funds, Fund for Mutual Assistance, a Loan Fund, etc.

A secretary of the committee is a "workers' factotum." He deals with all sorts of personal problems. Workers who used to turn to a rabbi for advice, guidance or mediation, now turn to the secretary with all sorts of problems. The wife of a worker turns up with the complaint that her husband does not give her enough money for housekeeping; both man and wife come up for conciliation; a son is in trouble with the police; a daughter gets married and needs help; a worker is applying to purchase a house; another does not know where to go for a vacation; a third one has trouble with income tax. All these and many other problems are brought daily for attention.

"They develop the habit," said the secretary of a Workers' Committee, "of coming to my office for everything they need, for guidance, conciliation and mediation. This is especially true of Middle Eastern workers. The Workers' Committee deals not only with work problems but with problems of life, education and citizenship."

The secretary plays to some extent the role of a personnel officer. In some places he actually is the personnel

officer, as for instance in the Middle East Tube Company in Acre.

I have also seen many places where the foreman, the superintendent or the department manager holds the position of secretary of the Workers' Committee. "They have confidence in my impartiality and my capacity to get things done, so they put me there, although I explained to them the ambiguous position I am in. But they say they want it this way, as they get things done more quickly," I was told. In many places there is no real conflict of interest, as the most controversial subjects are dealt with on the national level.

In large establishments with strong Workers' Committees the secretary participates in personnel matters. He arranges or takes part in arranging shifts; he is called upon to deal with absenteeism and lack of discipline; he takes part in promotion, dismissals and transfers. Any list of those to be dismissed must be presented in time to the Committee for approval.

The question arises whether the Committee is an autonomous agency or is it under the control or supervision of the Histadrut authorities? In fact, it is subject to double supervision: of the craft or industrial union in a given branch, and of the local Labor Council. However, the latter is incomparably stronger than the former. From the union it receives orders of a general nature and it must abide by its rules and general policy. If there are national collective agreements for a given trade, signed by the National Union, it must abide by those agreements. However, it must be noted that branch unions are often weak. An establishment often has workers belonging to many crafts and skills and so to many unions. I often found that in a small or medium sized factory the secretary of the

Workers' Committee does not know to which union he himself actually belongs. And it does not matter very much for him. His contacts with the headquarters of the national union are only casual.

The main control of the Workers' Committee is in the hands of the local Labor Council and the committee cannot do much about approval of this Council. The secretary of the Labor Council or one of the secretaries appointed for a group of factories, visits the factory about once a week, dealing with the problems of the Workers' Committee in all important matters. He supervises the elections to the committee, and gives his final assent to the results. The committee is legally constituted only when it has the local Labor Council's confirmation, and during my investigation I met cases of disagreement on this point, as for instance in General Tires, where the Workers' Committee was for a long time not recognized by the Labor Council. The Labor Council also has the right to dissolve the committee, and I met with such a case during my investigations. When I visited the Kaiser-Fraser plant in Haifa, the Workers' Committee at that time was dissolved by the Labor Council and new elections were ordered.

Bargaining for a new collective agreement always takes place with the participation and approval of the Secretary of the Labor Council, and it often happens that the Secretary does not approve of the claim of the Workers' Committee, stating that those claims are not in agreement with the general policy of the Histadrut, or are against the national interests, or against local interests of labor at large, or are inopportune at a given moment, or premature.

From time to time I heard from the secretaries of Workers' Committees: "We have to wage a two-front battle, one against management, and the other against the Labor Council itself, and it is often more difficult to convince the secretary of the Council than our management." This, strangely enough, I heard more often in Histadrut establishments than in the private sector of industry.

The strength and power of the nearly hundred per cent unionism is so great that a Workers' Committee could easily force its claims on management, even if they were not reasonable. The Labor Council, as against this, represents the interests of other organized workers, the interests of the Histadrut at large, and the interests of the country, safeguarding the avenues for further development.

What do the employers think about the Workers' Committees? Are they co-operative in the eyes of management, or not? By and large the Comments of management were favorable. Most managers praised the orderly, self-controlled and reasonable attitude of the Workers' Committees, especially in view of the fact that the real power and control lie in the hands of the Labor Council which represents interests not directly concerned in most issues.

5. Some Basic Dilemmas of the Histadrut

As in trade union movements in other countries, in the Histadrut too we see basic dilemmas which are not yet solved and which are constantly on the minds of its policy-makers.

One dilemma is the conflict between a narrow profes-

sionalism and a broader social conception of a workers' organization serving the nation. For the time being the broader conception has the upper hand, and it seems to be fully justified in Israel's special geo-political situation. The accent is not on narrow professional or class interests, but on the need for pioneering, on development of rural and border settlements, on the absorption of immigrants —a very big problem in itself, and on developing the country at large. However, no one can say that class interests have been neglected. No one can deny that the Israeli worker through his Histadrut has achieved a great deal in terms of wages and social conditions as well as status.

Here we come to the second problem strongly linked with the first: the dilemma between politics and unionism. For the time being politics has the upper hand, and not only within the Histadrut generally, but also within the unions themselves. As in the Histadrut as a whole, so in the labor unions, real decisions are taken in the party councils which govern the respective institutions. Every Histadrut institution is an arena for the activities of the main parties, as in fact a political forum. Consequently all issues become political issues and all agitation for or against any decision become party matters. Narrow political interests invade and pervade and, in a way, narrow down the broader social conception of a national working class organization. As group interests are taken up by parties for their own ends, they become party issues and a subject for rivalry and struggle. The political immaturity of large groups of the Middle Eastern population makes this aspect of Histadrut organization even more difficult.

The third dilemma is between bureaucracy and democracy. The degree of bureaucracy is always somewhat proportional to the distance between the centers of decision

and of execution. This distance increased considerably through the growth of the Histadrut. Its machinery by its very comprehensiveness, many-sidedness, and complexity has become a powerful force in itself. The complaint is often heard that the Councils are rarely summoned, and it is a fact that both the General Council of the Histadrut and the full local councils meet much more rarely than the by-laws require.

The administration is in the hands of professional officers appointed in a roundabout way by a system of indirect elections. Actually they have become independent agents often little concerned with what their "clients," who besiege their offices daily, think and feel about them. The distance between the union officer and the rank and file seems to grow, and especially with the increasing Middle Eastern population, to a large extent ignorant and even illiterate, the relationship becomes at times that of patronage rather than true representation.

This situation is not unknown to union movements in other parts of the world either, developing out of the growth of union structure and the ever increasing complexity of union government.

If a comparison is made with British and American unions, the degree of democracy in Histadrut is certainly below the British level of democratic participation, and probably also somewhat below the level of American participation.

Awareness of the need to deepen democratic participation in the Histadrut is fairly general in the Histadrut top leadership, judging by the programmatic declaration of the general secretary of the Histadrut, Mr. Mordecai Namir, in the Eighth Convention (March 1956). But from program to execution the road is often long and arduous

and beset with many pitfalls created by existing vested interests or by the parallelogram of social forces operating in the field.

The fourth dilemma is the many-sidedness of the Histadrut's interests. It is seriously asked: "Can the Histadrut represent fairly all these opposing interests: the interests of farmers and of urban consumers; the interests of transport and bus companies and of the public; the interests of manual workers and of professional workers as well?" The farmers, for instance, clamor for a rise in prices, while the urban working class opposes it; the bus companies demand a rise in fares, and the general public turns against it; the doctors and other academic workers asked, as in the intelligentsia's revolt in 1955-56, for higher salary differentials, while the mass of workers did not support this claim. Consequently the Histadrut has to oppose one group within its own body as against the other, at times turning all its power heavily against the small, recalcitrant minority, which emerges from the battle crushed and full of resentment.

But, on the other hand, by its very comprehensiveness and many-sidedness the Histadrut can preserve a fair balance between those divergent interests, keeping them in line with broader national interests, helping State and society to solve its many serious problems.

The Histadrut was the forerunner of the Jewish State, and is still its partner in many fundamental functions. But in the future, as the state machinery grows stronger, more experienced and more confident, the Histadrut is bound to relinquish some of its functions and to surrender them to the State.

6. A Note on Israeli Socialism

There is little doubt that the myth of Jewish Socialism among the masses of Israeli workers at present is a little weakened and dulled. It has lost its former glamour, its quasi-religious zeal and flavor, its pristine beauty. But still the myth persists and maintains a considerable potency.

What are the basic elements of this myth? First of all, let me state some of the characteristic features of Jewish Socialism in Israel as derived from its origin in the Diaspora.

Israeli Socialism originated among the Jewish immigrants from Eastern Europe, more specifically, Poland and Russia. The mentality, the conceptions and the ideology of an East European Socialist of middle class or lower middle class origin were the seed-plot of Israeli Socialism. Even today, the standard bearers of Socialism are of Polish or Russian origin, and the same is true of Histadrut officials. This East European origin is extremely important for the understanding of Israeli Socialism. The phraseology, the basic ideas and theories, the penchant for what is called *Principien-Reiterei,* the peculiar art of reasoning in terms of finely formulated principles, are all of East European origin.

In order to understand Israeli Socialism, we would really need to study the history of East European Jewish Socialism up to the Russian Revolution of 1917, with its constant splits and divisions, quarrels and internal feuds on finely reasoned points of dogmas and theories.

In Russia, prior to the First World War, there were

four major Socialist parties: the Bund, the non-Zionists or anti-Zionist Socialist Party, and three parties of Labor Zionism; 1) The Zionist Socialist Party (Nahman Syrkin, Jacob Lesczynski, W. Laski-Bertoldi, Niger, Tchernichov; 2) The *Poalei Zion* of Ber Borochov; 3) The *Sejmists* (or Serp, which was the Russian abbreviation for Jewish Socialist Workers' Party). The three Labor Zionist Parties exhibited different degrees of saturation with Marxian ideas, or different degrees of dilution of Marxism, starting with the full-blown Marxism of the Zionist-Socialist Party, up to a practically non-Marxian trend in the *Sejmists*.

Strangely enough, we have, *mutatis mutandis,* a replica of this set-up in Israel. We have one non-Zionist or anti-Zionist Party (The Communist Party), and three Labor Zionist Parties *(Mapam, Ahdut Avoda* and *Mapai),* with practically the same gradation and dilution of Marxism, from the full-blown Marxism of *Mapam,* to a weak dilution of Marxism in *Mapai.*

The second large fact about Israeli Socialism is that it originated among the Jewish intelligentsia and middle class; and even today the standard bearers of Israel Socialism come from this class. It is thus hardly a working-class movement, but rather a Socialism of the intelligentsia and the middle or lower middle class. The Jewish Socialists were artisans and owners of small workshops, or students of Yeshivot or Talmud Torahs. Hence it is not surprising that Jewish Socialism was always, perhaps more in fact than in theory, of a liberal brand, often petty *bourgeois* in character. What appealed to the Jew in Socialism was liberty, equality, and fraternity, the tenets of the French Revolution, and he meant by them, primarily, freedom from any sort of discrimination be it economic, social, religious, ethnic, racial or individual. It meant for him

a rational society based on principles of reason and logic and the belief in such a society went very well with the Jewish belief in Reason (with a capital R). It meant for him a humanistic society, a society based on the dignity of man, on the sacred rights of every human being—and again, the belief in such a society coincided with his basic belief in the sacred dignity of man. It meant for him, also, the realization of the dreams of his prophets, and a translation of the sacred phrases of the Torah into the language of modern secularism. Socialism was for him a sort of modern Messiah, a collective name for salvation, for the deliverance out of bondage into the land of eternal glory.

Thus Socialism was for the Jew much more than a mere nationalization of private property, or a socialization of the means of production. In fact, in the very nature of the interests of its middle class (or lower class) supporters, the program of socialization of private property never had a great appeal to the rank and file. Jewish socialism was not the Socialism of the proletarian who does not know property and has no regard for it. It is rather a middle class version of Socialism.

It is therefore not surprising that the Socialistic parties in Israel do not claim or press for socialization or nationalization of industry. The demand often made by the *bourgeois,* that the large complex of Histadrut industries should be taken over by the State, is resented and rejected by the Socialist parties. They do not even favor the formation of State Labor Exchanges, or of a State Health Service in place of those operated by the Histadrut. Here, one feels, re-emerges the age-old distrust of the State apparatus. Why the State? We can do, on a voluntary basis, what the State does elsewhere. Why should the State take over farms? We have voluntary collectives, co-operatives,

Kibbutzim and Moshavim. Clearly, then, the Israeli version of a Socialistic society is definitely neither State socialism nor State capitalism. It is the Socialism of free, independent producers who join hands together and voluntarily renounce private property in the form of the means of production, placing themselves under the discipline and patronage of a large communal organization like the Histadrut.

The same fact accounts for the characteristic mixture of materialistic and idealistic philosophy, of collectivistic and individualistic traits, of Israeli Socialism. It has a materialistic shell and an idealistic kernel. One could say, also, it has a collectivistic shell and an individualistic kernel. Strange as it may sound, the Jew never loses himself completely in his society. He remains individual. This characteristic of Jewish Socialism in Eastern Europe has been frequently reported.

Lev Martov (pen name for Juli Osipovitch Zederbaum), a Jewish Socialist in the 1890's in Vilna, and himself an orthodox Marxist, gives in his *Memoirs* the following description of Socialistic Jewish Youth at that time: "We were surprised to learn that the whole trend of their social mind was directed on idealistic lines, that their Socialism bears the imprint of abstract utopianism, and that the idea of class struggle was absolutely alien to them. Whilst we looked upon them as men who had to move the whole working class, as a tool in the hands of the revolutionary organization, they considered themselves as individuals who have outgrown the masses and created a new cultural milieu." [1] *Mutatis mutandis,* the same may be said of Israeli Socialism. It is a Socialism of individuals,

[1] A. L. Patkin, *The Origins of the Russian Jewish Labour Movement,* Melbourne, 1947.

each having an opinion of his own and his own standpoint. And, again, the kernel of the movement is idealistic, even in those parties that profess the orthodox materialistic philosophy of history. How could it have been otherwise in a movement which regards itself part of the Zionist movement as a whole?

And here we come to our next point: the unique mixture of Socialism and Zionism; or, in other words, Socialism and Nationalism. It is a strange historical coincidence that the two most potent and most fateful movements of the Jewish masses, Zionism and Socialism, were born at the same time, actually in the same year. The first Zionist Congress in Basle, in September 1897, gave birth to Zionism as a political movement, while an Assembly in Vilna, in October 1897, gave birth to the first Jewish Socialist movement, the "Bund." These two movements revolutionized the existence of the Jewish masses in Eastern Europe. They both contributed to the rise of the masses, to their political, cultural and social activization, and produced the most potent releases of national energy. They were at logger-heads with each other and thus profoundly influenced each other. The Bund became more national, while Zionism became infused and permeated by Socialism. But ultimately the national idea proved stronger, by virtue of both national feelings and fateful historical events, and what finally emerged victorious on the battlefield of warring movements and escaped the cemetery of Jewish life in Eastern Europe, was Labor Zionism, or Zionist labor.

The Socialists who came to *Eretz Israel* with the Second *Aliya* were not only Socialists, but also Zionists, actually Zionist pioneers. If you had asked them what was more important for them and more enduring, Socialism or Zionism, they would not have known what to answer, and

probably they would have said both. They could have remained in their country of origin and fought the battle for Socialism, had they been content to be just Socialists. Vladimir Medem, leader of the Bund, cried to them with sarcasm: "Farewell and don't look back . . . Turn your back on our life, on our struggle, on our joys and sorrows. You have decided to desert the Galuth." The Galuth patriot and Socialist of the Bund looked upon the Zionist pioneer as a double deserter, as a deserter from the Galuth-fatherland, and as a deserter from true, undiluted Socialism. But the Zionist-Socialist pioneer thought otherwise, he regarded his Socialism as the only Jewish Socialism possible anywhere under the conditions of Jewish existence.

For him there was no possibility to build Jewish Socialism in the Galuth, since there was no opportunity for the Jews to develop their own working classes except in Zion. How could a Jewish peasant, a Jewish builder, a Jewish industrial worker, compete with the native traditional working classes? Besides, what was one to do with the persistent process of deproletarization of the Jewish masses in the Galuth?

On the other hand, there was also no possibility of building Zion without Socialism. The link with the land could only be forged by labor, blood and sweat, not by capital and profit. Then there was the emotional element, the promise and excitement of building a new society from the very foundation—without destroying the existing one. Instead of fighting other peoples' battles, the Socialist pioneer dreamt that he would demonstrate to the world what Socialism should look like, how to translate the dream into reality. At the same time, he would set himself free and bring Socialism to his people and fulfill the

prophecy. The strongest emotional and historical forces of our modern age, the nationalistic, the socialistic, and the subconscious, deeper, religious forces combined to form a most powerful release of Jewish energy in the twentieth century, producing a dynamic, rejuvenated Jewish society. This is why Zionist Socialism in Eastern Europe was a unique movement. It was an "emigration-socialism" which, when it reached Israel, changed into immigration-socialism, into a venture of colonization and immigrant absorption.

In order to create a Socialistic society, the basic elements or the basic material for such a society had first to be created. The soil had to be created for the nation, as the soil was non-existent. Immigration had to be prepared and organized in masses, as there was still a biological vacuum in the land, as far as Jews were concerned. And the nation itself had to be formed out of the multi-colored tribes and cultures of the Jewish dispersion. And what was even more difficult, a mass of shopkeepers, peddlers, and intellectuals had to be converted into a class of toilers and workers. The task itself was overwhelming and its slow realization entailed a daily battle with all the factors enumerated above. This struggle brought about a considerable modification of the original idea, about which later.

These national aspirations moved the Jewish Socialistic movement even further away from strict Marxist lines imbibed in East European lands. Pure Marxism was, in fact, never popular with the Jewish Socialist, who combined Zionism with Socialism. First, he remembered what Marx had written about the Jews (in his offensive, spiteful article, "Zur Judenfrage," of 1844). Then, all the Marxists tried to prove to him that going to Palestine was a rever-

sion from Marx to Hegel. Where were the materialistic, historical forces which would make Jews move from rich industrial countries to primitive backward countries? Isn't that pure voluntarism in contradiction to dialectical materialism? Is not the national dream a reversion to primitive and false ideology, to the ideology of the *bourgeois*? Why preserve the pharaphernalia of a dying society? And the struggle with the Arabs, would it not involve Jewish Socialism in a permanent loss of Socialist faith as a universal faith? The Jewish Socialists answered these arguments as best they could. Still, the fact remained that Jewish Socialism in the Israel edition was never, and could not be, true to Marx. The whole foundation of Marxism unalterably contradicted its basic vision.

In the Zionist-Socialist alloy there was one additional element which needs special emphasis. An English or German intellectual who became a Socialist could be active among English and German workers without becoming a worker himself. But there were hardly any workers in mass for a Jewish Socialist intellectual to work upon. How does one build a Socialist society without workers? He, himself, had to turn worker; he, himself, had to take up physical toil and drudgery in agriculture, building, industry, transport, and elsewhere. And this loomed as a superhuman, mystic, and romantic task. How transform a man of brain into a man of brawn? How persuade a man who can earn more an easier way to toil and sweat in the severity of the Israeli climate for very little? So Jewish Socialism, from its very inception, developed the myth of salvation through toil and sweat. Perhaps Marx and Engels were not so much fathers of Jewish Socialism as Rousseau and Tolstoy. The call, "Back to land and nature," the endeavor to turn away from the artificial life of the

city, from a life of exploitation and speculation, to the simple life of the village, to a love of nature, to a communion with the soil, were part and parcel of Jewish Socialism. In this way it assumed high spiritual tone and aspirations. This "back to nature" movement was deemed the key to salvation of both the individual and Israel. Gordon, Berl Katzenelson, Brenner and the Hebrew poets sang the glory and dignity of labor, hoping for deliverance of Israel's fate and character through work and toil. The new working class would be the actual Redeemer. The time for a "Moses, our Teacher" *(Moshe Rabenu)* had passed, but there was a collective *Moshe Rabenu,* the working class, which had discovered the dignity, the pride, the glory and the redeeming qualities of toil and labor on its own land. And the land, too, would be redeemed from double bondage, from bondage to foreign hands and from the bondage of sloth and waste. The combination of sweat and soil, of toil and blood would accomplish the miracle. Work in the conditions of *Eretz Israel* was impossible without watchtower, without the rifle in the hand of the ploughman, and without having, more than occasionally, one's blood shed by marauders.

Thus, in a way, Jewish Socialism involved a reversal of the usual social values. To wear cheap, coarse garments, to show chipped, puffed-up hands, to face the hardships of Spartan life in the labor camp with a smile, to clench one's teeth in hard, strenuous labor, to battle with the hammer and the scythe, these were real distinction and real pride. The tables had been turned, and all those soft men, accustomed only to fighting with pen and pencil, vied with one another to appear as workers born and bred. The jobs of secretaries, accountants, organizers were regarded as nothing but soft, cushy jobs, and were assigned, not to

those who excelled in brains, but to those who were physically handicapped, who were unable to do a man-sized job. Among the pioneers, anyone could really perform these tasks, if it came to that, but no one with dignity and pride, who could toil in the fields or on the roads, was prepared to do them. The managerial level of organization was delivered over, not to the ablest men, these wanted to be full fledged laborers, in fullness of their status, making a full contribution to the salvation of their people. Besides, that was the way of casting off the old, worn out garments of the *Golah,* and entering the new world. European ghettos centered around the synagogue and the *heder* and the small shop. The work in sun and air, in contact with nature meant not only freedom and adventure, but also casting away of everything that reminded them of the *Golah,* turning their back on the past, and facing the future as brand new men.

This attitude was the foundation of the specific wage structure, as developed by the Histadrut, a wage structure with hardly any wage differential for white collar workers, doctors, lawyers, technicians, academic workers in general. Besides, even the laws of supply and demand supported this policy. Why pay higher wages to doctors, when many of them had to work on the farm, or on the road, and those who got the job as doctors were thankful to be so fortunate as to be allowed to work in their own profession, and in such cushy jobs, as compared with stone breaking or plowing. The doctor was just a worker, like anyone else, with a temporary assignment to medicine, but who could be transferred again to manual work if necessity arose. This basic attitude prevailed until recent years, when the laws of supply and demand started to work in favor of the intellectuals and encouraged them to revolt. With the

formation of the State and its many duties and tasks, and with the mass immigration of a Middle Eastern population lacking its own intelligentsia in the modern sense, the need for professionals and academically trained personnel grew apace.

This, *in nuce,* was the program of Jewish Socialism as imported by the young pioneers into Israel. Now let us see how the actual conditions of life in *Eretz Israel* affected this program, deflecting it from its envisaged course in one or the other direction, leading it into new paths, or accentuating some of its features instead of others. In this new reality there were basic factors which substantially affected the course of Jewish Socialism. Foremost among them were the following factors: the Arab question; dependence on outside help from the *Golah;* the state of permanent emergency; and, finally, the constant flow of Middle Eastern immigration.

Let us review these factors one by one. Socialism means internationalism, stress on international brotherhood and solidarity. Actually, this aspect forms the main lines of distinction between Socialism and National Socialism, or Fascism. This has been recognized in all Socialist movements and particularly by Jewish Socialists. Nowhere else can we find such strong insistence and such tenacious emphasis on the principles of internationalism, as in Jewish Socialism. The tenets of international solidarity and brotherhood were emphatically stressed by all Jewish Socialists. In fact, nowhere else can we find so profound an interest in international organization and conferences as in Israel. This emphasis has its roots in the visions and utterances of the Prophets. Now comes the Arab question, an extremely hard nut to crack for the Jewish Social-

ist encountering the international issue of Socialism face to face.

What to do with the Arab worker? To start with, the Arab worker did not want to participate in the Jewish labor organization. Why should he? There was no common language, bond or culture between Jew and Arab. The Jewish worker was mistrusted by the Arab worker who looked upon him as a competitor. What was called *Kibbush Avodah* (the conquest of work) by the Jewish worker, militated by its very nature against the employment of the Arab worker. Employment opportunities were small, almost nonexistent, and even Jewish landowners preferred the hard working, in many ways more efficient, cheaper and more disciplined Arab worker with his very low standard of living, to the Jewish worker who was new to the job and who had greater demands and requirements. In the long run, the development of the country brought to the Arab workers greater prosperity and a higher standard of living, but day to day practice meant not only clashes of arms, but also actual competition and rivalry between Jewish and Arab workers. So the Histadrut had to develop its organization as a purely Jewish movement, although it had also an Arab section as an appendix. Needless to say, the Arab *imbroglio* weakened the international accent and overtones of Israeli Socialism. The effect was intensified as the Arab-Jewish feud became sharper and more violent. The same collapse, witnessed by international Socialism on the world scene in the field of international solidarity and brotherhood, was witnessed in the internal front of Jewish Socialism at home. The cold winds of brutal national feuds had frozen the still unripe fruit of Jewish Messianic hopes expressed in the modern version of international Socialism.

The second significant factor deflecting Jewish Socialism from its programmatic course was the economic backwardness of the country as expressed in lack of employers. It was well and good to become a worker. But a worker needs an employer, as much as an employer needs workers. The employer is the "dialectical counterpart" of the worker, to use a Marxian phrase. So the problem was not only to create a class of workers but, also, to create employers. When the Histadrut was formed in 1920, it had two possibilities; either to favor the creation of a separate class of capitalists, outside the Histadrut, or to create their own employment opportunities by using all funds available within their own organization. They decided upon the latter course. Among the immigrants, even among the young pioneers, there were some who had brought along their savings, or their equipment, without knowing what to do with either. In most instances, neither capital nor equipment were sufficient to start anything worthwhile, and certainly not sufficient to offer employment opportunities to others. Histadrut, not wanting to lose these little trickles of funds, or to exclude them from the realm of action, took the initiative and organized them into workers' co-operatives, at first in a small way, and then growing larger and larger, until the "Histadrut Kingdom" was created in all its imposing stature. In the field of agriculture, the Kibbutzim and Moshavim were also the only practical possibility of beginning a productive life, in face of hardships, Arab hostility, lack of security, lack of water and soil, lack of equipment, amenities, individual funds, and lack of skills and working tradition. An individual Jewish settler in an Arab village was actually out of the question; an individual farmer in a new settlement would have to battle singlehanded, deprived of all communal

resources. Also, the emotional and psychological factors, lack of adjustment to new surroundings, operated in the same direction. An isolated worker, deprived of all cultural amenities in strange surroundings, would feel lonely and lost. Considering the actual conditions the Kibbutz or Moshav were the only practical possibilities satisfying not only the deep ideological aspirations of the youth of the *Golah,* but at the same time answering the practical difficulties of the time and place. In this way the imposing edifice of the Jewish co-operative Histadrut movement grew. Today, it covers 70 per cent of Jewish mixed farming, half of the building industry, and one-fourth of manufacturing and the largest part of transport; all in all, producing about one-fourth of the national income in Israel.

We have already indicated that, considering the human material which went into the making of Jewish Socialism, it is understandable why it has emerged as a kind of co-operative Socialism. Its co-operative character grew stronger and stronger under the conditions of Israel.

Israeli Socialism became centered around strong co-operatives, tending to spread farther and farther and, if possible, to conquer the whole field of employment opportunities. It is not State Socialism which is aimed at—turning workers into wage and salary earners of the State—but making them independent workers-owners. This co-operative version of Socialism can be regarded as a typically Jewish version, because it accorded well with the general craving of the Jew to be independent, to be his own boss. It is not the State which would replace the private employer. (The State was always a foreign entity in the eyes of the Jew.) The community, in its entirety, is far superior to the State which is only its outward shell,

today in one, tomorrow in another, wrapping. What is essential is the destruction of the whole "employer-employee relationship." Everybody should be his own employer. Of course, this crystal clear gospel was far from simple. The co-operatives grew in time to sizable enterprises, and assumed more and more the air and habits of capitalistic ventures with an array of wage and salary earners who, again, fell into the usual pattern of employer-employee relationship. But the main idea remained the nucleus of the program of the worker's emancipation. The best theorists of Jewish Socialism cudgeled their brains how to devise schemes of universal significance for co-operative relationship in industry, or in transport, similar to those developed in the Kibbutzim or Moshavim, and how to apply the co-operative principle to modern large-scale industrialism, so as to satisfy the requirements of efficiency and productivity on the one hand, and the requirements of the principle of a "boss to himself," on the other. The panacea has not yet been discovered, but the experimentation still goes on, with an unmistakable trend and direction.

The third big factor is the Kibbutz experience as such. It is not enough to say that Israeli Socialism is a sort of co-operative Socialism or tends that way. We must consider more specifically the Kibbutz experience. We can hardly exaggerate the role of the Kibbutzim in shaping the Socialist movement, or, for that matter, the State, itself, out of all proportion to their actual strength. More specifically, we can call Israeli Socialism, "Kibbutz Socialism." The experience of Kibbutz life has been decisive in molding Israeli thinking on the theme of Socialism. (It has been no less decisive in Israeli life at large.) The

Kibbutzim became the spearhead and nucleus of the Socialist movement.

I do not intend here to describe the Kibbutz. It possesses many contradictory features. It is a cross between a large estate and a village; it has traits of both a large family and a monastery; it has the air of a labor camp as well as a holiday resort. It displays, also, characteristics of a training camp, a summer school, and a first class educational establishment. It has something of the utopian-like communistic early settlements in the United States. But it has also some features of a military camp of the Teutonic Knights fighting on the border against the Slavs. It has something of the character of a permanent discussion group and a Jewish Congress, a first class political unit. But with all its features of a collective, the Kibbutz is a free, and in the main informal, association of individuals. Men are free to join or to leave it at their hearts' desire. The government of the Kibbutz is little formalized and little institutionalized. The emphasis is still on the free development of personality, on all the faculties and gifts of the individual, encouraging all sorts of artistic and cultural activities. In the Kibbutz the full personality can grow and reach its full stature. Through the Kibbutz the potential artist can express himself, and directly reach his audience.

We see the many-sidedness of this intangible new creation of Jewish Socialism which, in its turn, shaped its own parent. However, in the Kibbutz experience there is one aspect which is perhaps the most important in its effect on Socialist thinking: an existence without money. The Kibbutz member receives a pittance of pocket money, a few pounds a month for his personal needs, and a small sum when he goes for a holiday. Otherwise, he has not a

coin in his pocket, actually he has no wallet or purse. He is free of money worries, money pursuits, money thoughts. He has achieved perfect security without money. He has no need of money. He repudiates and rejects it. This is the type of Jew the Kibbutz forms and molds. It is a challenge and absolute negation of the Jewish *bourgeoisie* of the Jewish *bourgeois* style of life. The Jewish *bourgeois* thought excessively about money, perhaps no more and no less than any other *bourgeois* in the world, but the Kibbutz is certainly the living protest against him, denying him his values and his very right of existence.

This aspect of the Kibbutz experience is the source of the onslaught of Jewish Socialism against the *bourgeois*, not so much in a political or economic or institutional sense, as in a purely cultural and educational meaning. What is attacked, primarily and nearly daily, is the lore of capitalism, the style and way of life of the *bourgeoisie*, what is called in Hebrew *baalebatiut*, meaning the sense of possessiveness. Not so much capitalism itself is being attacked, as the greed and lust for money, the desire to accumulate, the love of possession. The Kibbutznik can exclaim with Marx: "Accumulate, accumulate, that is the Law and the Prophets" of the *bourgeoisie*, and against this he turns most emphatically. This onslaught on the spirit of capitalism, on the spirit of the *bourgeoisie*, goes very well with his concern for the moral regeneration of the Jewish nation. In this way, Israeli Socialism became Kibbutz Socialism, a movement concerned more with moral regeneration of the Jewish nation than with anything else.

The fourth factor in the new reality was the dependence of the whole movement on outside help, more specifically, as it developed in time, on American capitalism. The Kib-

butzim, the Moshavim, all those marvelous ventures of Jewish ingenuity in transport, industry, and building, were not selfsupporting. The land had to be rented from the Jewish National Fund, the equipment and livestock purchased from the Keren Hayesod, the losses through many years had to be covered by subsidies, loans, contributions, from many sources. All these institutions had to be nursed, as all babies have to be, for a long time. The money, of course, came from foreign capital, born and accumulated from what Socialists all over the world call "capitalist exploitation." Here we are confronted with the basic paradox: "capitalism nursing its basic antagonist," or Socialism turning to its enemy for aid and help. Or, did both sides, after all, not believe in their enmity, or real clash of interests? Or were Jewish national sentiments on both sides stronger than mere class interests? Were both sides not taking part in the same pioneering venture of Zion? At any rate, the constant dependence on foreign capital, from a most consciously and programmatically capitalistic country like America, produced a marked influence on Socialist consciousness and Socialist thinking. Even a child, in the most Socialistic rural settlement, was conscious of the fact that he was dependent in a hundred and one ways for this, that and the other on the pocket of the American capitalist. Is it possible to preach class-struggle at home and national solidarity and harmony abroad? Even if it were possible during an election campaign, how far can a movement go in this direction, without inner insincerity, without losing touch with the basic reality of Israel's life? This, again, moved Israel's Socialism in the direction of an associational and moral movement, instead of class movement, at times giving it even a character of "charity-Socialism," something that in

the past was ingrained in Jewish mentality and practice.

We turn now to what may be called the basic realities of the Jewish State, centered around the permanent state of national emergency. The emergency did not arise in 1955 or 1956; it is basic and permanent, not a passing situation. Its acuity may vary at times, but the national emergency began with the inception of the State, and goes on continuously. This small island in the hostile Arab sea must be ready to defend itself 24 hours a day, every day in the year, year in year out. *Inter arma silent Musae* —but so, too, must the class struggle. Class struggle means a divided house, and a divided house is fatal. There are some economic theorists in Israel who even now speak about class struggle, but their voices sound hollow and unconvincing. Unity, integration, discipline, are demanded, and if they cannot be achieved within the present day Israel society, a new structure, better suited to the geopolitical realities, must be created. Actually, this is Israel's big problem, for it is a society far from united. In fact, it is much too divided for the basic requirements of national defense. But as the main Socialist parties bear the brunt of responsibility for the State, the requirements of defense have again deflected the Socialist movement from its line of class Socialism to a more national branch of Socialism.

Finally, the impact of the Middle Eastern immigration on Israeli Socialism must be assessed. The Socialist movement in Israel grew up as a European movement, as a movement of Europeans with the ideas, concepts and phraseology of their counterparts in Europe. But now it is confronted, more and more, by a population with a background, mentality, and frame of reference utterly different from its own. There can be no one-sided imposi-

tion of European mentality on the Middle Easterners. Such efforts would spell disaster. *Mapai* has already tasted bitter disappointment at the last election, the first election in which the Middle Eastern population took part *en masse*. There must be "give and take"; an amalgam of two modes of thinking and acting, an European Middle Eastern mixture. In the working classes themselves, as far as wage earners are concerned, the immigrants from Asia and North Africa now form the majority of manual workers in agriculture and building, and a very large proportion in industry and transport, and are growing stronger every day. They have joined the Histadrut, an ineluctable step, and, for the most part, the Socialist Parties. But, in fact, they had never heard of Socialism, and, indeed, think of it in weird terms. They are traditionally religious, strictly observing the letter of the Law. In their view, there is nothing worthwhile which either contradicts the precepts of the Bible or is not included in them. Socialism for them means simply: justice and charity, as practiced among Jews. Class war, class envy, class jealousy? Does that not violate the Tenth Commandment, which says explicitly: "Thou shalt not covet thy neighbor's house, thy neighbor's wife, nor his man-servant, nor his maid-servant, nor his ox, nor his ass, nor anything that is thy neighbor's"? Socialism is all right, but as preached by the Prophets. Should not all Jews help each other and give charity freely, so as to acquire a *Zekhut* (merit) in this and the next world? This is the basic interpretation of Socialism of the Middle Eastern population. By its very massiveness and concentrated weight it may become a decisive factor in shaping a mass movement like Socialism. This drives the movement in the direction of Charity-Socialism, and Charity-Socialism, as already noted, finds ready support from other sources as well.

So the movement, which started originally with Marxist Socialism, was first transformed into co-operative Socialism in an ever increasing degree, and now is in danger of turning into Charity Socialism. What, in essence, does Charity Socialism mean and how is it expressed and practiced in Israel? It means that everyone, every establishment, every institution, plants and weeds alike, have a right to live. Inefficient, badly organized firms and establishments must be supported, they all need help and subsidy, so that everyone can live. After all, everyone has the right to make a living *(parnasa)*. Is not the country itself supported by subsidy and charity? So why deny the same rights to others? In fact, this is the way Socialism is practiced to a large extent in Israel today. "After all, we are all Jews," and we all have the right to make a living.

This kind of Socialism does not lack romantic and sentimental appeal. But it has great economic drawbacks which may be fatal to the future development of the country. In the long run, even its moral drawbacks become more and more apparent as many unworthy claimants abuse and misuse its principles.

Like every movement, Jewish Socialism finds itself in flux, in the waves of great dynamic changes. It has travelled a long way from its inception, from its first port of departure, and is moving swiftly further and further away. In what direction will it yet move in its journey on the uncharted, stormy and perilous waters of the Middle East? Who can tell. But one thing is certain. It will not remain long in the state of strong inner contradiction in which it finds itself at present.

Index