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# IDEOLOGY, CULTURE CHANGE, AND MANAGEMENT PATTERNS IN THE ISRAELI KIBBUTZ

**Research Thesis**

**in fulfillment of the requirements for the degree of Doctor of Philosophy**

By
Benjamin A. Bar-Yoseph

**Submitted to City University Business School**
**LONDON**

April 1996

**Redactions for Bar-Yoseph (1997)**

| | |
|---|---|
| pp 26, 58 | Redact photos - we do not have permission to make available online |
| pp 225-227 | Redact sections 13.1.1.1 to 13.1.1.4 |
| pp 255-257 | Redact sections 13.2.1.1 to 13.2.1.4 |
| pp 291-292 | Redact sections 31.3.1.1 to 13.3.1.4 |
| pp 319-321 | Redact sections 13.4.1.1 to 13.4.1.3 and the following paragraph, as far as the first two lines on p321 (I think the section number has been left out) |
| pp 343-344 | Redact sections 13.5.1.1 to13.5.1.5 |

**This work was done under the supervision of:**

**Dr Ronnie Lessem**

**City University Business School.**

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A term paper in Dr. Ronnie Lessem's course on Organisations in the MBA programme led me to the idea of researching the reflections of Jewish culture on management. After several conversations with Ronnie he directed me to the more specific subject of 'The Reflections of the Kibbutz Culture on Management'. This idea was refined through several meetings with Kibbutz members and other people interested in the subject. The main concern of most Kibbutz members was the 'crisis' the Kibbutz movement is undergoing and the changes imposed on the Kibbutz both by technological developments and external influence. These people were worried that the Kibbutz will change so much during the process that the end result will be a totally different community from the original Kibbutz. Some even expressed the suspicion that the Kibbutz as we know it is going to disappear.

It was evident, from these conversations, that the Kibbutz movement is experiencing an accelerated process of culture change. Realising the depth of this change led me to a slight shift in the definition of my topic to 'Reflections of cultural changes on management in the Kibbutz'. In the early stages of the research I realised the importance of the Kibbutz ideology in its economic and management development. The name was changed again, therefore, to its final version "Ideology, Culture change and Management Patterns in the Israeli Kibbutz".

I am grateful to my mother, Prof. Rivka Bar-Yoseph who read all the material and fed me with her very useful criticism, to Dr Ronnie Lessem who, in his own calm and subtle way directed me back to the right path every time I managed to lose it, to all Kibbutz members who gave me as much of their time as I requested, to my friends in Israel who sent me every newspaper they came across with articles on the Kibbutz. To my wife Talia who took the responsibility as the main provider of the family during the years I was busy writing this thesis, and last, but not least, to my daughters Neta and Adi for their support and love. To all of them, my deep thanks for making this operation possible.

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## ABSTRACT

This thesis addresses the problem of the cultural change in the Israeli Kibbutz, its relevance to the Kibbutz ideology and its implication on Management patterns in the Kibbutz. The thesis is based on four hypotheses. Two of the hypotheses address the cultural changes and two address the changes in management patterns. The cultural change is hypothesised by assuming a change in life style and a change in the attitude to work as a value. The change in management patterns is hypothesised by assuming a change, at a policy level, of resource allocation and a change in the decision making process.

The research includes several stages:

* A literature research which established the historic cultural and ideological roots of the Kibbutz movement.
* A collection of general statistics of the Kibbutz movement.
* Five case studies - An in depth analysis of five individual Kibbutzim.

A model of the Kibbutz values and principles is developed and used in analysing the changes in values and principles in the Kibbutz.

The outcome of the research reveals that the Kibbutz is changing from an ideology based commune, which prefers values over matter and is ready to sacrifice individual freedom for the ideals, to a more bureaucratic organisation aiming for profits that prefers individual freedom on equality and communality. The Kibbutz movement is turning from an agrarian closed system to a technically advanced community with open economy and culture.

The research outcomes enhance Bertalanfy`s claim that a culture within a culture has to change in order to survive. It also demonstrates that a cultural change is an incremental change. What seems to be a radical change is an aggregate result of several incremental changes. It is suggested that a radical change can not be implemented successfully in an organisation unless broken to incremental changes.

## PART 1 - INTRODUCTION

The introduction aims to give some helpful information in understanding the subject of this work and its structure. Though I could, logically, limit the introduction to general information. I chose to include some background on the research field. This should prove beneficial in giving some idea on the subject before discussing methodology and theory.

### 1. Purpose of the Research - The Problem

This thesis is about culture, ideology and management. The **culture** in question is the Jewish/Israeli culture, the **ideology** is the socialist communalism, and the **management** setting is the management of the Kibbutz.

The Kibbutz began its way as a closed system, or at least an almost closed social and economical system. During the years of its existence, technological and economical changes turned the Kibbutz into an open system. In order to survive as an open system the Kibbutz had to change constantly (see Open Systems in chapter 8.1.3). Surviving, in the case of the Kibbutz, means physical survival within the ideological boundaries of the Kibbutz (chapter 4). The research addresses the problem of 'the direction the Kibbutz culture is changing, the impact of this change on managerial activities in the Kibbutz and how the changes relate to the Kibbutz environment'.

Through the hypotheses I aim to establish the nature of change in the Kibbutz and show that the Kibbutz culture is changing to resemble the urban culture. The change brings with it some management patterns new to the Kibbutz. This does not necessarily mean that the Kibbutz is losing its uniqueness. The Kibbutz may remain a unique community with a unique type of management, which adopts some management patterns from the urban environment.

#### 1.1 Research Objectives

The objective of the research is to understand the cultural changes which the Kibbutz movement and the individual Kibbutzim are undergoing, and to identify the influence of these changes on the management of the Kibbutz community and on other managerial

activities within the Kibbutz. Cultural changes are difficult to quantify, as are changes in management style. This research aims therefore to study, by careful qualitative analysis, the nature of the observed changes and the relationship between cultural changes and changes in management style. The research will not try to quantify any of the values researched. Questions such as "how much cultural change will cause so much managerial change?" or "how much managerial change will be caused by so much cultural change?" will not be asked. The research will, however, present questions like "what type of managerial change is connected with a specific cultural change in the Kibbutz movement?".

The research will establish its assumption that the Kibbutz culture is changing. In order to do that, two cultural aspects were chosen as measures of culture change. The **material** aspect is measured by changes in life style as represented, materially, in domestic patterns of life and consumption of the Kibbutz community (see hypothesis 1). The **spiritual** aspect is measured, at the ideological level, by the attitude of the Kibbutz population to work as a value (see hypothesis 2). The validity of these two aspects as expressions of culture and therefore suitable for measuring culture change is discussed in chapter 9.

The change of management patterns in the Kibbutz is established by identifying changes in two important elements of management: **management targets** and **management mechanisms**. The target of Kibbutz management is researched through the changes in economic approach, as reflected in resource allocation in the individual Kibbutzim (see hypothesis 3). Changes in management mechanism are researched as reflected in the decision-making processes as a management instrument in the Kibbutz (hypothesis 4).

The justification of identifying culture with material and spiritual factors such as domestic consumption and attitude to work as a value is based on the cultural and ideological background of the Kibbutz. These are discussed in chapter 9 (organisation and Culture). The chapter on Management and Organisations specifies the relevance of targets of the organisation and management mechanisms.

### 1.2 Statement of Hypotheses

The hypotheses are dealing with major changes in the Kibbutz movement. Cultural changes are reflected in all aspects of life and are the result of a complex and multidimensional process. This will be elaborated after a discussion of the term 'culture'. Changes in the areas of organisation and management in the Kibbutz are the result of a change or a shift in the Kibbutz culture, i.e. a shift of the 'centre of gravity' from a traditional "ideological" attitude to a new, perhaps more modern, less ideological and more practical attitude. This shift is the rationale behind the four general hypotheses. The organisation and management point of view cover only part of the whole. The Kibbutz is changing in many other ways that, important as they may be, are beyond the scope of this work.

In order to adhere to proper research methodology, the hypotheses should represent an assumed situation in a clear measurable way. Assuming a culture change leads to two hypotheses which describe a culture change in the Kibbutz. The hypotheses are general in their nature and are not easy to measure directly. Each general hypothesis is therefore broken down into several specific sub-hypotheses. This is needed to guarantee an impartial and valid research (see chapter 2). The hypotheses are the result of a long literature research which is presented in the form of a review of the history and culture of the relevant subjects, the Kibbutz, the state of Israel, and the Jewish people. A preliminary research which included meetings with over a dozen Kibbutz members, visits to half a dozen Kibbutzim outside the sample, and reading Kibbutz publications, as well as my own experience of living in a Kibbutz for three years, led me to the stated hypotheses which represent a specific direction of change in the Kibbutz culture and in management patterns. Failure to prove the hypotheses does not necessarily mean that there is no change. It may mean that the change is different than the one hypothesised.

#### 1.2.1 Hypothesis No. 1: Culture - Material: Domestic Patterns

| | | |
|---|---|---|
| PURITAN | changes to: | CONSUMING |
| RURAL | ⟹ | SUBURBAN |
| COMMUNAL | | FAMILY ORIENTED |

During the first phase of the Kibbutz movement its exposure to the urban environment was very limited. The Kibbutz exercised a culture of scarcity and lack of resources which affected the standard of living beyond the ideology. With the development of the urban society in Israel the Kibbutz movement could not remain isolated from it for long. The first hypothesis assumes that with the increasing prosperity and industrialisation of the Kibbutz and due to the stronger connection with the urban society the Kibbutz follows the urban industrial society in life style and work culture. Alternatively, in case of failure to prove this hypothesis, another direction of change can be assumed and tested.

Presenting the initial Kibbutz culture as Puritan, Rural and Communal is a result of a historical research (see chapter 4) and is not hypothesised. The hypothesis is related to the **direction** of change. The case study method (see chapter 2 and 3)) may point to the right direction of change even in the case of false hypotheses. The first hypothesis is divided into the following sub-hypotheses:

**1.2.1.1 From Communalism to Family** - There is an increase in the autonomy of the family in the Kibbutz and a parallel erosion in communalism.

**1.2.1.2 Higher Standard of Living** - Life style in the Kibbutz is more subject to urban phenomena like TV in the private rooms, cable TV for internal information transmission as well as for entertainment, the use of cars for private purpose etc.

**1.2.1.3 Higher Level of Education** - Education in the Kibbutz is turning more academically oriented and more formal.

**1.2.2 Hypothesis No. 2: Culture - Spiritual: Work Values:**

| | | |
|---|---|---|
| PRODUCTIVITY | changes to: | PROFITABILITY |
| PHYSICAL LABOUR | ⟹ | PROFITABILITY |
| AGRICULTURE | | PROFITABILITY |

The attitude to work is based on the thought that work is a value in its own right. Productivity, though of great importance, is not what makes 'work' so important. Work is important regardless of productivity. Productivity gives the proper 'colour' to work by leading to self-sufficiency. Work in the Kibbutz of the turn of this century meant physical agricultural work.

These principles, productivity, physical labour and agriculture, were the criteria for measuring the success and dedication of both people and businesses. The second hypothesis assumes a shift of 'the value of work' from these criteria to the criterion of profitability, which becomes the one and only criterion for success. Work itself is loosing its appeal as a 'value' since profits can come from other people's work, royalties, rent, etc.

As in the first hypothesis, the initial culture is not hypothesised and is rather a result of research. A direction of change is hypothesised. The hypothesis is broken down to three secondary hypotheses:

**1.2.2.1 Profit Equals Success** - Income and profits became measures of success for any business in the Kibbutz.

**1.2.2.2 Breaking the Adherence to Agriculture** - Non-agriculture non-physical branches are responsible for an increasing percentage of the Kibbutz income.

**1.2.2.3 Breaking the self-sufficiency Rule** - Autarchic autonomy of the community is less important than profitability.

**1.2.3. Hypothesis No. 3: Management - Objectives: Resource Allocation**

PRODUCTION changes to: SELLING SERVICES

WELFARE ⟹ CONSUMPTION

Investment Policy in the Kibbutz movement is not mentioned in any written document. Resources are not allocated in accordance with an official investment policy. It is a practical image of the Kibbutz culture and is a product of some of its principles.

The third hypothesis assumes a shift of investments policy to induce a change from allocating the major part of resources to productive branches as a source of income, towards investment in the services industry as a source of income, as well as in any operation which may be profitable. This tendency is parallel to the change in the use of the resources from the welfare of the Kibbutz members towards increased individual consumption and increased standard of living. Failure to prove the hypothesis would show that ideology is still the dominant factor in allocating resources. This, however, need not affect the other hypotheses. The secondary hypotheses are:

**1.2.3.1 Investment Shift** - Investment in services as a source of income has been increased in relation to investment in productive businesses.

**1.2.3.2 Human Resources Shift** - The number of workers in services has increased.

**1.2.3.3 Higher Needs** - The 'needs' (of members) covered by the Kibbutz have expanded towards higher consumption.

**1.2.3.4 Shift in Prestigious Positions** - Administrative and managerial positions in services are more appreciated than in the past.

**1.2.4 Hypothesis No. 4: Management - Mechanism: Decision Making Process**

DIRECT DEMOCRACY ==========> changes to: DEMOCRACY OF REPRESENTATIVES

Direct Democracy is based on the principles of Equality and Partnership of all members. The third hypothesis assumes a shift in these principles towards democracy of

representation, be it through elected proxies or nominated professionals making decisions in their specialised areas.

Decision making in the Kibbutz is done in different ways and not only by vote in the general assembly. Several aspects are addressed in the sub-hypotheses. Though the case studies may prove a different direction of change than hypothesised, it is hard to imagine the Kibbutz changing towards a non-democratic decision making mechanism. However, any change from direct democracy seems to be a deterioration in the democratic process. The Secondary hypotheses are:

**1.2.4.1 Introduction of Hierarchy** - There is a change in the organisational blueprint towards more authority to central bodies and less to the General Assembly through:
A. establishment of boards of directors in Kibbutz businesses.
B. nominating outsiders (usually financial experts) to the board.
C. granting more decision power to committees.

**1.2.4.2 Breaking the Rotation Principle** - There is an erosion of the rotation principle in the Kibbutz towards professional managers holding managerial positions on a non-rotational basis.

**1.2.4.3 Participation in General Assembly meetings** is significantly smaller than the number of members in the Kibbutz.

### 1.3 The Contribution of the Research

Many researches were published on the Kibbutz community (chapter 3.7) and this one is just another building block on an existing body of knowledge. This research will compare the change process in different Kibbutzim and the way change is handled. It calls for a humanistic approach, which is indeed the approach chosen for this research (chapter 3). During the years of its existence the Kibbutz turned from a closed or almost closed system to an open system. As an open system the Kibbutz had to undergo some changes in order to survive (Bertalanfy, 1968). The ways in which the Kibbutz changes are

influenced both by its environment as by its own culture are addressed by the hypotheses. Much has been written on the Kibbutz culture and on the Kibbutz ideology. Kibbutz management is also a subject of several researches (though much less than the social aspects of the Kibbutz).

The main contribution of this research to the existing body of knowledge is by identifying changes in culture and ideology and relate them to success and survival. Any such contribution towards anticipating the success of change in an organisation, in this case the Kibbutz, has practical implications in helping the organisation to survive in a changing environment. The methodological chapter discusses the ways of validating the hypotheses to support the concept that culture change in the Kibbutz induces changes in management style.

### 1.4 Thesis Structure

The thesis is structured as a management thesis, more specifically reflections of culture (and ideology) on management. It begins with stating the problem and the hypotheses addressing the problem through the methodology of research and a brief background. These include a model connecting management with ideology and culture. The rest of the thesis is structured to suit this model which is developed in the Research Field (part 1 chapter 4).

The thesis contains four parts. The first is an introductory part. It contains four chapters. Chapter 1 presents the objectives of the research, the problem it deals with and the hypotheses to be validated in the research. Chapter 2 is a somewhat technical chapter. It presents a general review of Research Methodology. Chapter 3 is the second technical chapter and goes to the specifics of the research design with a detailed research plan. Current and past research is reviewed and a statement of the research contribution to the knowledge of organisations is made. Chapter 4, which concludes the introductory part, contains a discussion of the research subject - the Kibbutz. The history of the Kibbutz movement is reviewed and a model of the Kibbutz as an organisation is presented, demonstrating the connections between cultural and ideological roots and management.

The second part discusses, in three chapters, the roots of the Kibbutz movement. Chapter 5 deals with the Jewish cultural roots. This chapter is based on literature analysis and includes a brief historical and cultural review. Chapter 6 addresses the ideological roots of the Kibbutz. This chapter is also based on literature analysis and presents the Socialist ideology and its role in the Zionist movement. Chapter 7 discusses the combination of the two previous chapters and deals with organisation and management in Judaism from the Biblical period to the present. While chapters 5 and 6 are broad in their concept and include issues that, though essential to the understanding of the Kibbutz, are significantly wider than the scope of this research, chapter 7 narrows down the point of view and brings it back to the specific subject of Organisations and Management. Chapter 7 integrates the ideological and cultural roots of the Kibbutz - Judaism and Socialism - with the environmental background and points out the relationships between them.

The third part of the thesis discusses, in two chapters, the theoretical basis of the research. Chapter 8 presents Organisation and Management theories and chapter 9 discusses the relationship between organisations and culture, and the reflections of culture on organisations. In a similar way to chapter 2 - Research Methodology, this part is independent of the rest of the work. In this sense it can be placed anywhere in the work. I chose to place it right before the analysis of the Kibbutz as an organisation. Indeed, this order of matters breaks the continuity of the work, however, I chose to place it right before the fourth part of the work in which the Kibbutz, as an organisation, is analysed according to these theories. As demonstrated in the diagram at the end of this chapter, the introduction gives the orientation, the roots give the context and the theory gives the concept. The last two point to the application which is given in the fourth part of the work.

Part four contains two chapters and deals with organisation and management of collective communities in general and organisation and management in the Kibbutz in particular. Chapter 10 reviews communal management and includes the collective ideology and history. Based on the ideology described in part 2 and the theories

discussed in part 3, this part reviews the practice of organisation and management in collective communities. Chapter 11 is dedicated to organisation and management in the Kibbutz. In this chapter the connection of the practical research with the theoretical basis is established. The connections of the Kibbutz with its roots are researched in line with the model of the Kibbutz presented in the first part.

The hypotheses will be validated through five Case Studies, publications analysis, and some quantitative data. A discussion of the research findings and conclusions are brought in the last two chapters. Figure 1-1 shows the general structure of the thesis. This thesis is a Management thesis and it is my opinion that both historical and ideological roots are as important in analysing management in an organisation as the theory behind the analysis. Therefore, all relevant issues are discussed before any discussion of management takes place. First come the specific roots of the Kibbutz and only then the theoretical basis. These parts precede the discussion of organisation and management in the Kibbutz and in related organisations, and serve as its basis.

**Thesis Structure**

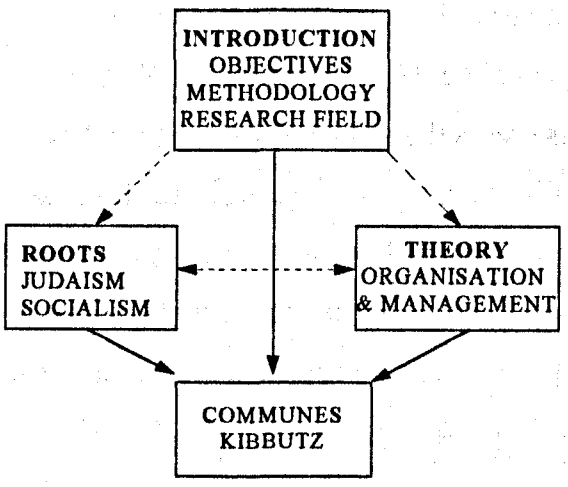



**Figure 1 - 1**

## 1.5 Summary

This chapter stated the research objectives and the hypotheses guiding the research. The hypotheses are referred to along the text in order to form a comprehensive picture of the Kibbutz and the Kibbutz movement from the point of view assumed in the hypotheses. The structure of the thesis is discussed at some length and the logic of the order of presenting the issues is explained.

The next chapter (chapter 2) discusses the methodology of research and justifies the appropriateness of the qualitative research in general and the case study method in particular in organisational research.

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## 2. Research Methodology

The hypotheses presented in the previous chapter are derived from the problem addressed by this research. In order to draw serious conclusions it is necessary to validate the hypotheses in a proper and reliable way, using a valid research method. In the following chapter a general discussion of research methodology is given with a brief description of some relevant research tools. The research procedure is discussed in greater detail after the general discussion.

The main principle of any research is a systematic and impartial method. In experimental research the desire is for a method which leads to a reproducible research process generating, hopefully, similar results. This, however, is only partially possible in some cases. Uniqueness of the research area and the continuously changing events and population, as is the subject of this work, may rule out strictly reproducible experiments and with it some of its benefits. Such constraints, which are very common in social research, confirm the importance of the humanistic qualitative research approach and the non-experimental quantitative research methods which are commonly used in social research. Among these are the quantitative time series which show social or behavioural changes over varying periods of time and statistical sample surveys which deal only with a fraction of the population in order to draw conclusions relating to the whole population. In the latter case sampling methods are employed to provide a sample which is representative of the whole. In the qualitative methods find the case study, which usually refers to a relatively intensive analysis of a single instance of the phenomenon under investigation (Miller, 1991). In choosing the proper research method the researcher has to consider the advantages and disadvantages of each method, as well as the limitations of each method in relation to the researched subject and the type of data available.

The search for the truth goes back probably as far as the origins of the human race. Many ways of discovery were tried during the generations. The Greek philosophers tried to get to the roots of nature and discover the true reality by hypotheses. Xenon (6th C. BC), in his efforts to support the hypotheses of his teacher Promenades, created the negative

approach - "Reductio ad absurdum" which was later used by the Platonist geometrician Euclides and is very common in mathematics. This method is based on taking the assumption that the hypothesis is false and develops an imaginary reality based on this assumption. If the new reality creates an absurd which is known to be untrue, then the assumption is incorrect and the hypothesis is true.

The essence of scientific research is discovery. Discovery, though it may occur accidentally, is usually a matter of methodical and systematic work. Even researchers of earlier days based their theories and discoveries on thorough methods. Galileo, who lived in the 17th century, was one of the first developers of experimental research methods. The following quotation describes Galileo's way of making discoveries:

"The method is this: direct the telescope upon the sun as if you were going to observe that body. Having focused and steadied it, expose a flat white sheet of paper about a foot from the concave lens; upon this will fall a circular image of the sun's disk, with all the spots that are on it arranged and disposed with exactly the same symmetry as in the sun. The more the paper is moved away from the tube, the larger the image will become and the better the spots will be depicted". (Drake, 1957 in Strauss, 1990).

In modern research well-defined methods are taken for granted as to their validity and reliability. The most rigorous research methods were developed in the natural sciences. The endeavour of the social sciences to use the same methodological approach was not very successful and often led to data of doubtful validity and very restricted reliability. This induced the development of Social Science research methods, which are somewhat different from those of the natural sciences. All methods, however, should be thorough and address various aspects and background of the subject studied. Social research can be divided into three different types, according to their objectives:

i) Basic research, referred to also as pure research, aims at increasing the amount of knowledge in the Social Sciences.

ii) Applied research, aims at producing knowledge needed for practical implementation.

iii) Evaluation research, aims to measure the results of a social event or activity as well as the findings of the applied research.

Much of the academic research is pure, basic research. It aims to increase the amount of knowledge and is not directed towards any immediate practical purpose (Miller, 1991). This does not mean that basic research has no practical value, only that there is no specific incentive for doing the research other than the desire to know more. This work is, therefore, a basic research and no elaboration is made on the other two types of research. The goal of basic research is to produce new knowledge in the subject area. This type of research uses statistical or other type of 'hypothesis testing' in order to obtain proof for a theory which is under examination. The research results should validate general principles which should have the capacity of predicting future behaviour under different circumstances. (Miller, 1991).

**2.1 Research Logic**

Scientific principles are presented in the form of theories. The foundations of the theories are descriptions of phenomena and a system of speculated concepts and terminology. Scientific research is based on a corresponding logic. Research logic is, therefore, based on description of phenomena and hypotheses. The researcher's task is to validate the hypotheses, thus turning them into a concept, or reject them and look for other hypotheses to support a different concept. Research logic is general and common to all basic research, regardless of the method and research tools used. There is a specific order of stages in the research:

i. First there is the problem which prompts the research. The purpose of the research should be clearly stated.

ii. Secondly there should be a theoretical framework which guarantees a valid and reliable research. "Sound theory must take into account the history and the future of the system and relate them to the present" (Pettigrew in Miller 1991). Pettigrew

recommends designing organisational research around the 'analysis of a sequence of social dramas'.

iii. The next element in the research logic is the statement of the hypotheses. These should be stated in a way which can be addressed by existing techniques and should match the theoretical framework. As mentioned above, hypotheses should support a concept. In order to do so the hypotheses should have several characteristics:

* Hypotheses should be conceptually clear. They should be easily related to the concept in a clear and understandable way, not a product of a "private world" of the researcher.
* Hypotheses should have empirical referents. Hypotheses should address a clear empirical phenomenon. Value judgement may be very important and can be a part of the research. It should, however, be separated from the hypothesis itself.
* Hypotheses should be specific. They should not be general. If a hypothesis is general it should be broken down into specific sub-hypotheses which can be tested.
* Hypotheses should be related to available techniques. Since hypotheses are stated in order to be validated or rejected there should be a practical way to do so.
* Hypotheses should be related to a body of theory. If they are not based on an existing theory, the concept they support will collapse. Science advances by adding one block of knowledge at a time to the existing base of established facts and theories. (Goode W. J. and Hatt P. K. "Methods of Social Research" in Miller 1991).
* Hypotheses must be rejected if found not valid and replaced with new ones which conform to the new knowledge acquired during the research (Suchman in Doby, 1954)

iv. The results should be analysed using well-established research tools, whether quantitative or qualitative.

v. The last step of the research is the interpretation. This is where the researcher can show creativity, as long as he adheres to the theoretical framework and to the 'legitimate' analysing tools (adapted form Edward Suchman "The principles of Research Design - Introduction to Social Research" in Miller, 1991). Science is both inductive and deductive and advances in a circular process. An exploratory research produces

hypotheses which are submitted to empirical testing. The validated hypotheses support a theory which is absorbed by the general knowledge of the area. The theory becomes then the basis of new hypotheses.

Different research methods conform with the described research logic. The researcher should select a theory which will guide the testing of hypotheses and by validating these hypotheses will support the theory under examination (Kaplan A. 1964).

## 2.2 Research Methods

In order to give valid and meaningful results the research approach should be based on a scientific basis. The research should be systematic, impartial and reproducible. While this may be taken for granted in an experimental research, exact reproduction is seldom feasible in a qualitative research.

### 2.2.1 Quantitative Research

The 'Logical Positivism' was developed in the 1930's in Vienna and Berlin, in circles which were influenced by Einstein's Theory of Relativity (though the first relevant paper by Watson was published in 1913). This theory, though relevant to physics, gave a boost to the quantitative approach in philosophy and sociology and psychology as well. The positivists recognised either true statements, i.e. those which are true by definition like mathematical and logical statements, or statements which are open to rigorous tests. Everything else was considered meaningless. This was the background and the environment in which the quantitative approach in social research developed.

Quantitative research is descriptive in its nature. It attempts to measure specific aspects of data at a given point of time. It measures patterns and specific attributes of sets of countable collected data. Quantitative methods are rigid as far as the data are concerned and inaccuracies can occur when the variables selected for measurement are not suitable and/or the wrong type of statistics is applied. Any connection between a qualitative parameter, such as satisfaction or any other feeling or judgement value, is a potential problem in a quantitative research. Quantitative research of attitudes uses subjective

scales (Likert scale), which translate an ordinal scale of adjectives like 'very good', 'good' etc. into numerical expressions. However, there is no way to make sure that the difference between 'good' and 'very good' is identical for the whole population and that it is identical to the difference between 'bad' and 'very bad'. There are the cultural and the personal differences with the tendency to use superlatives or more natural expressions. Causality is also problematic in a pure quantitative research, since it does not refer to the process but rather to the proximity of occurrences and co-variation. The user of quantitative methods is always susceptible to the false logic of "Post hoc, ergo propter hoc" (after it, therefore because of it).

Quantitative research is strong in identifying patterns of occurrences. The modern Chaos theory claims that in many cases even in the natural sciences a high level of occurrence of a phenomenon in certain conditions does not mean that the same phenomenon will happen again under the same conditions. According to the Chaos theory, Laplace was wrong in his assumption of the possibility for deterministic forecasting (Glick J. 1991). This claim elevates the importance of the statistical research, which is the most common quantitative research used in the social sciences. Some quantitative research tools are described in chapter 2.3 (Research Tools). Quantitative statistical research provides accurate information. It uses objective scales, however, the interpretation of the data is open to speculation and manipulation.

The quantitative research aims to document a situation or a process by checking a series of static points in the process. Each point in itself may not be meaningful, but it is possible to use quantitative research to validate claims on several points of time and thereby understand the direction of the process. Quantitative research does not intend to 'explain' the mechanics of the process but rather to measure its result.

Quantitative research in the social sciences is mostly based on Statistics. Statistics deals mainly with correlation and not with causation. It has the advantages of the ability to induct on the whole from a small sample. Its disadvantage lies in the mathematical limitation of describing external aspects. It cannot analyse the metaphysical things

beneath the surface, nor does it regard them as valid facts. In cases where these are highly relevant, as in culture, the statistical research deprives the researcher of the opportunity to participate in the subject's history, attitudes, hopes and philosophy of life. It gives him, however, a very powerful and accurate tool to analyse patterns and correlation of occurrences in cases where plenty of data are available.

In social research the statistical method has some limits in researching human behaviour since it does not have the tools to anticipate innovation, creativity or the impact of the emergence of a charismatic leader in an organisation. It is useful in dealing with standardised behaviour. "No exact science could have foreseen the sudden rise of the automobile industry and the genius of Henry Ford, although now that this industry is developed and institutionalised we may perhaps calculate with precision what it will bring forth in the near future" (Cooley, 1926 in Hammersley, 1990).

Quantitative research is strong in using dichotomic variables and "Yes" or "No" questionnaires. The result of a quantitative research for this type of data is, therefore, subjective, relative, and stronger when dichotomies are relevant.

### 2.2.2 Qualitative Research

Qualitative research is exploratory in its nature. The exploratory research differs from descriptive research in trying to provide deeper understanding of the researched subject and the processes occurring in it beyond the pure measurement of change. Exploratory research aims to explain processes and to lead to better understanding of the area of study. Van Maanen (1983) bases qualitative research in the social sciences on seven principles:

(1) Analytic Induction - first-hand inspection of ongoing social life. Patterns may be identified from the ground up.

(2) Proximity - witnessing the occurrences rather than reporting them.

(3) Ordinary Behaviour - study phenomena which are within the normal everyday life of those studied. The research should not interfere with the normal life of the research field.

(4) Temporal Sensitivity - collective behavioural patterns should be seen from both historical and relational perspective. Occurrences may not be repeated and the more critical the event the slimmer the chance of it repeating itself, hence the importance of history.

(5) Structure as Ritual Constraints - some patterns of social activity are arbitrary, a result of culture and custom. There is no pre-set standard structure for an organisation. Human behaviour is a by-product of what people think and what they want. Trying to find deviation from an artificial standard structure is imposing structure rather than discovering it.

(6) Descriptive Emphasis - descriptions of occurrences, answering the simple question "what is going on here?" as opposed to the quantitative method which describes a static situation at a given point of time.

(7) Shrinking Variance - directed to discover coherence and similarity and geared to understand the reasons behind the absence of variance of occurrences.

It can be seen that Van Maanen is not satisfied with the definition of qualitative research as exploratory and wants to add the descriptive approach, though not in the quantitative sense but rather in the sense of a tool for better understanding a process, more towards Weber's term "verstehen" which is one of the bases of Positivism - to be elaborated in chapter 2.4 on Philosophical Framework. The qualitative research method is seeking the inner meaning of the process. Therefore, finding the same or similar processes in even a few cases is not less meaningful than a statistical proof (Henry Mintzberg in Van Maanen, 1983). Piore writes about the Hawthorne Papers - one of the most famous organisational research of the century, "...I quickly found out that the questions had very little to do with the success or failure of the interview. As I learned much later in a write-up of one of the Hawthorne experiments, most people had a story to tell..." (in Van Maanen, 1983). This sensitivity to the "story" people wanted to tell gave us the most important conclusions of the Hawthorne Papers - not the quantitative original purpose of the research.

It is important to note that the qualitative research is prone to generalisation and lacks the tests of probability and reliability which are plentiful in the quantitative research. The researcher should be aware of these limitations when he uses qualitative data in making generalisations.

## 2.3 Research Tools

The tools for the research are set in the research design. The research design is the actual plan of study. Whatever method is used for the research, qualitative or quantitative, it must have a plan. The plan must specify the tools to be used and spell out and define the conditions for the research.

* Level of accuracy - the desired accuracy and the level of proof for the research have to be stated and the appropriate tools chosen to achieve it.
* Existing knowledge - the level of existing knowledge should be clear and the knowledge expected to be obtained by the research should be stated.
* Practical - tools chosen should be practical and demonstrate a compromise between the researcher's desire for depth and his preferred research method on one hand and the available resources on the other.
* Guideline - the plan should serve more as a set of guidelines than a rigid work plan. Its task is to keep the research on the right path and within the planned limits. The choice of research tools is therefore quite flexible, provided that they conform the conditions set above. (Suchman, in Doby, 1954).

Following is a description of several research tools commonly used in the social sciences. Each may conform with the above characteristics for different environments and different data types and quantity:

### 2.3.1 Descriptive Survey

a. Cross sectional study - data usually obtained by interviews, mailed questionnaires, official reports or other statistics. Produces a sizeable volume of information which can be classified by type, frequency, etc., and may be analysed for numerous relationships.

This type of study may prove very costly, since an effort should be made to reach 100% of the population under study.

b. Longitudinal study - Time series are produced showing social or behavioural changes over time. Requires large volumes of data and produces standard data capable of analysis over successive time intervals. In this research there is a problem of lack of comparable data over long period of time. However, longitudinal studies using Time series are employed to support other research methods (see 'Research Design').

### 2.3.2 Sample Survey

Very common in public opinion polls, labour and unemployment surveys, consumers and other economic surveys. This method employs sampling methods to select a representative sample which is small enough to be handled. Test hypotheses may be used to guarantee the validity of the research. The data are usually analysed for simple relationships between two variables. Multi-variable analysis is more complicated, involving factor analysis, matrix and multiple-discriminant analysis.

### 2.3.3 Prediction studies

Aims to estimate future occurrences of phenomena, such as future performance of an individual, a group or phenomenon in a given activity. A search is made in order to find a basis for prediction of an occurrence in a given population. Dichotomic variables are introduced and checked out, like for instance success or failure in marriage. Prediction studies produce relationships between a number of factors and prediction criteria. The data can be used with the help of prognostic tables. Two qualitative research tools are described in great detail by Van- Maanen (1983).

### 2.3.4 Field study

Employs observation, interviews, and participant observations. Concerned primarily with processes and patterns of a single organisation or group. Emphasises social structure, attitudes and perception of people. Used mainly to test hypotheses which are not amenable to survey data. Stronger in focusing on subgroups of larger population. Produces sociological concepts such as processes, attitudes, values etc.

### 2.3.5 Case study

Based on on interviews of individuals, historical studies through documents and literature to gain insight to individuals' and groups' behaviour. Usually presents an intensive analysis of a single event and attempts to find common behavioural patterns shared by all individuals of the group. Similarity of different groups may be discovered. This method is strong on discovering causal factors, identifying personal and social processes. Cases may be coded and statistically tested for classification (quantitatively) to provide association between variables. This is not very common and depends on availability of sufficient data. The case study is strongly relevant to this research as will be explained in the next chapter.

## 2.4 Research Philosophycal Framework

Two approaches characterise social science research. The positivistic approach demands ridgid rules of interpretation and deals with observable facts. The humanistic approach aims to understand undercurrents and processes and tries to 'measure the unmeasurable'. Hence it leaves more freedom of interpretation and is more open to differences in the interpretation of the same data. The framework for this research is a combination of positivistic and humanistic philosophies. I chose not to write this chapter as a pro and con table since each philosophy has its strengths and weaknesses and each can explain the disadvantages of the other. The advantage and disadvantage, however, lie with the researcher. The researcher who knows the strength and the limitations of each of the philosophies can work out a combiantion of the two and enjoy the advantages of both philosophies. Table 2-1 gives a broad summary of the two approaches:

**General Research Approaches**

| Humanistic Approach | Positivistic Approach |
|---|---|
| Qualitative afinity | Quantitative afinity |
| Understanding human behaviour | Observing facts |
| Subjective point of view | No subjective interpretation |
| Phenomenological approach | Logical approach |
| Uncontrolled/observational | Obtrusive/controlled |
| Discovery oriented | Confirmatory oriented |
| Process oriented | Outcome oriented |
| Holistic | Analytic |

(Adapted from Reichardt and Cook 1979).

**Table 2 - 1**

### 2.4.1 Positivism

Writers seldom agree about the essential components of positivism. Halfpenny (1982) identifies twelve different versions of positivism. Hammersley (1990) percieves positivism as a combination of ideas:

i. Scientific law - identifys universal laws. These are reinterpreted as regularities of a phenomenon.

ii. Restriction of knowledge to experience.

While positivism is a common approach in physics, Bryman (1988) claims positivism to be flexible enough to suit any form of knowledge. Positivism penetrated sociology in the early 1930's. However, its first traces in the social sciences go back as far as 1913 with the development of behaviorism. Some influential sociologists and psychologists adopted positivism that state only two kinds of meaningful statements. A statement which is true by definition, such as in logic and mathematics, and statements which can stand a rigorous scientific examination. Bryman (1988) claims that positivism assumes that research methods and procedures of the natural sciences are applicable in the social sciences. In social research positivism takes the position of 'methodological naturalism' (or methodological monism) claiming that the research subject being people should not

interfere with the implementation of the research method. In such research, as well as in any other, only observable phenomena are considered valid. Feelings and thoughts have no place in positivism, except as uttarences, and in this respect it is a phenomenalistic and empiricist approach.

Positivism in the social sciences suffers from the missconception that since quantitative research is primarily positivistic, therefore qualitative research can not be positivistic. However, going back to the basics of positivism should eliminate this missconception. Willer and Willer (1973) argue that social research based on participant observation can be considered positivistic even though it is not systematic empiricism. However, it is empiricist since it establishes connections between observed categories. From here it is up to the researcher to accept or reject the categories and to validate or, again, reject the data gathered in this way.

George Lundberg, later to be succeeded by Blumer stated explicitly his adherens to positivism. Lundberg said that positivism should be adopted to social sciences since it is a scientific method of acquiring knowledge:

"Of the various methods which man has employed in his age-long struggle to adjust himself to his environment, there is one method which has proved itself incomparably superior to all others in the result it has achieved. That method is the scientific method. The implication seems clear that a method which has proved itself so effective in one field of human adjustment should be employed also in those fields where man's adjustment and control is relatively imperfect, namely in his social relations." (Lundberg, 1923).

While several researchers (like Ogburn) claimed that some areas of sociological investigation are "not ready yet" for quantitative research, Lundberg denied any limits to application of positivism (Lundberg, 1933 in Hammersley, 1989).

Harre (1972) points out that positivism tends not to recognize the importance of what may not be directly observable. In causal processes such as those we deal with in this research these unobservables are highly relevant. This in itself is a reason for combining the humanistic philosophy with positivism.

### 2.4.2 Humanism

While the positivistic approach deals with the observable and uses both qualitative and quantitative methods, the humanistic approach deals with "measuring the unmeasurable" and uses mainly qualitative methods to research human beliefs and behaviour. The humanistic school is comfortable with quotations of interviews expressing thoughts, beliefs as well as sentiments..

When choosing a research method it is appropriate to remember Rist (1977) who wrote:

> "When we speak of 'quantitative' or 'qualitative' methodologies, we are in the final analysis of an interrelated set of assumptions about the social world which are philosophical, ideological, and epistemological. They encompass more than simply data-gathering techniques".

The main intellectual foundations of humanistic research epistemology are phenomenology, symbolic interactionism, '*verstehen*', naturalism and ethogenics. Among these, symbolic interactionism is an explicitly social approach based on three premises:

i. Human beings act towards things according to their own subjective perception of these things.

ii. The meaning of these things is derived from the social interaction

Humanistic type of research enables the researcher, according to Pettigrew, to study

> "...how purpose, commitment, and order are generated in an organisation, both through the feelings and actions... and through the amalgam of beliefs, ideology, language, ritual, and myth we collapse into the label of organisational culture". (Pettigrew, in Miller 1991).

## 2.5 Summary

This chapter discusses the role of research methodology in scientific research and elaborates on qualitative methods which are directly relevant to this research. Several research tools are described and justified, including the case study which is the backbone of this specific research. Based on the theory of research discussed in this chapter, the next chapter deals with the more practical side of the methodology and specifies the design of this research.

## 3. Research Design

In general, a sociological research calls for a 'people-oriented' research method. Matthew B. Miles in his article "Qualitative Data as an Attractive Nuisance: The Problem of Analysis" (in Miller, 1991) favours the case study method for an organisational research. Qualitative data, according to Miles, are "rich, full, earthy, holistic and real". Qualitative data offer a better and more precise way of assessing causality in organisational affairs.

The research design depends on the problem to be studied . The small sample, according to Henry Mintzberg, should not be excluded, because it often proves superior. Mintzberg has a personal preference for the qualitative method - "It is discovery that attracts me to this business, not the checking out of what we think we already know" (Mintzberg in Miller, 1991).

Mintzberg indicates two steps in inductive research. The first step is the tedious work of tracking down patterns of activities and consistencies of behaviour. The second is the creative step of interpretation. "There is no one-to-one correspondence between data and theory. The data do not generate the theory - only researchers do that... ...Our choice, then, is not between true and false theories so much as between more and less useful theories. And usefulness, to repeat, stems from detective work well done, followed by creative leaps in relevant directions" (Mintzberg in Miller, 1991).

Mintzberg however does not neglect the importance of the systematic research; research has to be systematic and focused. He is against experimenting with organisations. According to Mintzberg the research should not interfere with the organisation's normal functioning. The organisation should be looked at as a whole. Checking only a segment of the organisation is bound to produce false results.

Culture changes and values as well as management styles are hard to quantify or measure in any kind of units. This research, therefore, is basically qualitative and descriptive. Quantitative analysis is used in order to enhance the descriptive conclusions wherever applicable, provided that data are available.

In his article "An Emerging Strategy of 'Direct' Research" (in Miller, 1991) Mintzberg describes his reasons for using the case study method in a research concerning strategy development and decision making in organisations. He describes the stages of his researches: "...We first spend a good deal of time reading whatever historical documents we can find, in order to develop thorough chronologies of the researched phenomena..." Than he goes on to describe a set of interviews with the purpose of filling in the gaps in the chronologies and to discover the reasons for any break in the pattern of activities. "...The research has been as purely descriptive as we have been able to make it. This hardly seems unusual in organisation theory". Mintzberg also claims that the descriptive research is more impartial than the exploratory research and less prone to mislead the researcher. "The orientation to as pure a form of description as possible has, I believe, enabled us to raise doubts about a good deal of accepted wisdom". Organisational research, Mintzberg claims, "paid dearly for the obsession with rigor in the choice of methodology. Too many of the results have been significant only in the statistical sense of the word". He contends that simpler and more direct, descriptive methods have produced more useful and more interesting results and finds no reason to apologise for having a small sample "...what is wrong with a sample of one?" He invokes Piaget whose seminal psychological theories grew out of the study of his own children. "Was it better to have less valid data that were statistically significant?". Systematic data may be supported by anecdotal data. It is important that the researcher be on site long enough to understand what is going on. Questionnaires cannot do that. Mintzberg concludes his paper by stating the importance of the 'soft' side of the data: "We are impressed by the importance of phenomena that can not be measured - by the impact of an organisation's history and its ideology on its current strategy, by the role that personality and intuition play in decision making. To miss this in research is to miss the very lifeblood of the organisation" (Mintzberg in Miller 1991). Since the case study is the dominant tool in this research following is a more detailed description of the role of the case study in social sciences.

In order to derive the highest value and to cover as many intellectual positions as possible a combined approach is adopted for this research. The main hypotheses are designed in a positivistic approach. Each of the hypotheses has an initial position, a

direction of change and a final position. While the changes are not readily convertible to numerical values they are, in most cases, measurable and in all cases observable. This claim, however, is open to some criticism since in order to arrive at the final positions in the main hypotheses some of the sub-hypotheses are not about observable values but rather about thoughts, opinions, and interpretation. In such cases a humanistic approach is effective. The general approach of this work is both positivistic and humanistic. The research is, therefore, a combination of qualitative research with quantitative enhancement.

Justification for a combined philosophy can be found as early as the middle of the nineteenth century. Fridrich Engels in his essay "The Condition of the Working Class in England" which was written in 1845 used a combined research philosophy without really elaborating on it. And he explains:

"...Working men! To you I dedicate a work in which I have tried to lay before my German countrymen a faithful picture of your conditions, of your suffering and struggles, of your hopes and prospects. I have lived long enough amidst you to know something about your circumstances; I have devoted to their knowledge my most serious attention. I have studied the various official and non-official documents as far as I was able to get hold of them. I have not been satisfied with this, I wanted more than a mere abstract knowledge of my subject. I wanted to see you in your own homes, to observe you in your every-day life, to chat with you on your conditions and grievances, to witness your struggles against the social and political power of your oppressor".

Engel's research combines documented sources with stories, hopes, and thoughts of the people. There is no question of struggles against oppressors but there is a struggle of adjusting to a continuous process which is influenced by external and internal forces. Since some of this research is based on people's stories, thoughts, ideas and feeling, a pure positivistic framework will not suffice. A combination of positivistic and humanistic approach should cover all types of data gathered.

D. Pugh also supports the combined approach research. Pugh says that "multidisciplinary research widens the empirical research and understanding of organisations" (Pugh and Hickinson, 1964). Pugh and Hickinson detail three essential elements to organisational research:

I. A number of attributes should be studied not in a dichotomic way but rather as a matter of degree. It is also stated that there will be no single reason which is responsible for the way the organisation is operating.
II. Because organisations outlive the individuals in them it is appropriate to study the institutional (non personal) aspect such as control systems, division of labour etc. This can be done, according to Pugh and Hickins, through interviewing individuals in the organisation. Interviews are more appropriate than questionnaires since in questionnaires people have the tendency to "...indicate how they experience the organisation personally..." (Pugh and Hickinson, 1964).
III. Since organisations operate as systems they should be studied from more than one perspective to give a full view. Halfpenny (1982) also supports the combined research which relies on more than one theory: "It is unlikely that the whole of scientific activity is characterised by those features that one philosophy of science define as central".

The endeavour to discover causal processes in my research promoted me to the combined positivist-humanistic approach since positivism, while appropriate for a directional research of measurable variables, is less supportive of research on not directly observable causal processes (Herre, 1972).

The research itself adopts a combination of Positivistic and Humanistic approach and is based on several types of data gathering.

### 3.1 Historical Study

A wide historical research is presented in order to study the historical, cultural, and ideological roots of the Kibbutz movement. The historical study establishes the Kibbutz and the Kibbutz movement as an important part of the revival of the Jewish state of Israel and as an important part of the Jewish socialist labour movement and later the Israeli Labour Party. Though the historical study is not the purpose of this work, it plays an important part in understanding the Kibbutz and its environment through its development and changes.

### 3.2 The Case Study

The case study is most commonly used in social research. It is sometimes called 'Case Method', 'Monographic Study' or 'Monographic Approach'. It has its roots in the 'Medical Case History' of the clinical sector. It was later named 'Case Reports' by Social Workers and 'Case Analyses' by historians and anthropologists. "In essence, the term Case Study referred to the collection and presentation of detailed, relatively unstructured information from a range of sources about a particular individual, group... Both community studies and life histories were generally regarded as falling into this category" (Hammersley, 1990).

The case method was very common at the turn of the century, but gradually gave way to quantitative methods. In the 1930's the 'Case Method' was contrasted with the 'Statistical Method'. The term Statistical Method vanished and in modern days the contrast is between qualitative and quantitative methods or participant observation vs. survey method (Platt, 1992). In sociological research the case study became the main issue in the debate between the quantitative and qualitative research (Hammersley, 1990).

As the name points out, and as Hammersley very explicitly puts it (Hammersley, 1990) a case study is an in-depth study of a particular case or cases. It is, in its essence, a qualitative method. It aims to highlight social relations within a microcosms of a group of any chosen kind. The relevant debate concerning validity, representativeness and objectivity are not unique to the case method and are typical to the debate of all qualitative methods against quantitative methods (Platt, 1992). The case approach is concerned with totalization as regards the observation and analysis of the cases involved (Zonabend, 1992)

Many studies are considered to be the foundations and building blocks of Organisation Theory are based on case studies - the Hawthorne papers, a research which was initiated as a quantitative research drew its most important conclusions from a side track, totally irrelevant to the subject of study and in itself can be looked at as a case study. This was possibly due to taking advantage of the whole study beyond the statistical research. Tom

Peters as well as Drucker, Henry Mintzberg and others base their theories on case studies. The case study method is also used next to a quantitative research in order to explain the results of the quantitative research. "...For any research project insurance is important and may be secured by combining case analysis with any other research design. Failure to find statistical relations spurs the need for case study" (Edward Suchman "The Principles of research Design - Introduction to Social Research" in Miller, 1991).

Bogardus (1925, in Platt, 1992) says that the case study penetrates the personal experience of the individuals involved and therefore arrives at understanding the stimuli and responses "...After personal experiences have been fully analysed in terms of meanings, attitudes and values, then statistical methods will be of great help". Here the quantitative method helps the case study which is the main carrier of the research. Bogardus adds that "...personal experience data are not conclusions, but are the most important sources for interpreting all the other social research data and for the preparation of findings" (Bogardus, 1925 in Platt, 1992).

To demonstrate the importance of the case method Holt claims that if demographic research would have been made in Jerusalem in the beginning of Christianity "...it would never have discovered any difference between the Scribes and the Pharisees and the godly company of the Apostles. It would have catalogued them all as church members and let them go at that... for our purpose the supremely important material is that which reveals the individual's attitude and life purpose" (Holt, 1926 in Platt, 1992).

The case study does not have the advantages and disadvantage of the mathematical limitation. The case method can analyse the metaphysical things beneath the surface which are highly relevant to culture, and therefore very important to organisation and management. It gives the researcher the opportunity to participate in the subject's history, attitudes, hopes and philosophy of life.

Bogardus provides the most extreme statement supporting the case study based on his personal experience: "One case is proportionately as vital as a million to the extent that it

brings something new before the mind that may be related to what is already known, and hence may be understood" (Bogardus, 1926 in Platt, 1992). Some writers refer to the case study method as a natural scientific mode of proceeding. Palmer, in 1928, wrote:

"Each case may be assumed tentatively to display the common qualities of the species and may be treated as a specimen... the beginner in social research... can conduct his investigation of a group... much as a medical student dissects his cadaver to discover the universal, fundamental function of different parts of the human body" (Palmer 1928).

Obviously, the results of case studies should be compared and attention should be given to extreme deviations. These are valuable, inasmuch as they point towards new developments or the need for different descriptions of the old cases. These will usually result in a more accurate definition of a concept or a statement. If a statement deduced from a case study is followed by another case with different conclusions, the conclusion has to be refined.

Burgess, in 1927, summarised the advantages of the case study over the quantitative approach for social research: "...How can attitudes, the basic subject matter of human nature and society, be stated numerically? How can the so-called intangible fact of life, its qualitative aspects, be apprehended by so crude an instrument as statistics? What figures will measure the degree of affection between husband and wife, or qualities of personality like charm, loyalty, and leadership?" (Burgess 1927). It should be pointed out that Burgess wrote his paper before the development of the statistical attitude survey. Statistical attitude measurement became very common in the late 1930's and 1940's. However, their success is still debatable and Burgess in later papers of 1945 still holds the same opinion about the validity and the value of the qualitative research methods. Indeed, attitude, ideology, and values, all important items in this research, are very difficult to measure quantitatively. We can easily measure that 'so many people say that...' A seemingly meaningful number here, the result of a quantitative survey, can mislead the researcher. While such a number enables the researcher to scale opinions and other "unmeasurable" attributes subjectively, it might still be insignificant in this research since it does not contribute to the understanding of any process and therefore not justifiable.

MacIver in 1931 looked at the sociological research in a slightly different way which also supports the use of the case study method: "Every social phenomenon arises out of and expresses a relation or adjustment between an inner and an outer system of reality. Each system, the inner and the outer, is complex and coherent in itself. The inner is a system of desires and motivations; the outer, a system of environmental factors and social symbols. The explanation of every social phenomenon involves a discovery of the specific character of the inner system relevant to it and of the outer system in which it occurs" (MacIver, 1931 in Hammersley, 1990).

It might be useful to quote Michael J. Piore again: "...As I learned much later in the write-up in one of the Hawthorne experiments, most people had a story to tell" ("Qualitative Research" in Van Maanen, 1983). Favouring the case study Piore claims that when presented with a closed questionnaire the interviewees lost interest and became unreliable. "...in this process they often provided misinformation in order to avoid an anticipated follow-up question".

### 3.3 Validity and Level of Accuracy

The level of accuracy desired is in finding direction and trend rather than quantitative measurements. As indicated in the Introduction this research intends to answer the questions "Is there a cultural change in the Kibbutz? What kind of change? Is there a management style change in the Kibbutz? Are they connected to each other?", and not "How much change is there?". The research intends to find the connection between the processes of cultural change and change of management patterns.

The research process from its inception to the analysis was done with the validity of data in mind. This was taken care of in two different ways: obtaining data from a variety of sources and the used of several methods.

Preliminary interviews, not included in the case study, pointed at the direction of the research. Some of this information was not used later as data for the analysis but was part of the process of studying the subject and checking the reliability of information. I

visited several Kibbutzim and had dozens of hours of conversations with Kibbutz members before the formal recorded interviews which are part of the case studies. All information obtained was coherent with that obtained in the case studies.

One of the important aspects of data validation is the interplay between the different types of data, the literature, the cases, the personal knowledge etc.. The fact that there were several types of sources of data, all coherent and pointing at the same direction of change added to the validity of the data. The subjective data gathered in the case studies form only part of the data. There are measurable quantitative data, both at the case level and at the Kibbutz movement level, which support the subjective 'humanistic type' data obtained in the interviews.

### 3.4 Existing Knowledge

In order to study the historical and the ideological background of the Kibbutz culture, research work has been invested in the background study and in analysing the Kibbutz structure. Joseph Shepher wrote in 1977 that the history of the Kibbutz is still waiting for a historian. (Shepher, 1977). The history of the Kibbutz, being a contemporary history much of it is buried still in documents. The chapter on the Kibbutz includes historical research as well as analysis of publications and interviews. It is an amalgamation of many documents, protocols, articles in newspapers and publications of the Kibbutz movement, as well as about the Kibbutz movement. This part of the research is based mainly on existing knowledge. This knowledge, however, is widely scattered. The fact that there is no comprehensive information on the Kibbutz makes the background research more important to this study.

### 3.5 New Knowledge

New knowledge is the main purpose of research. This is the part of knowledge which has to be explicitly presented in the conclusion of the research. Though there is some innovation in collecting historical material from different sources and gathering it to form a meaningful document, it is not the purpose of this research (a similar work was done by Henri Nir in 1984). The new knowledge to be obtained relates to the soft side of the

Kibbutz as an organisation and its management. Understanding the dynamics of the connection between the cultural change of the Kibbutz as an organisation with its own culture and management patterns, is new knowledge which does not exist in any research or publication. Since this organisational 'mechanism' is an emerging mechanism and not one which was implanted in the Kibbutz, it can only be studied through open-ended interviews and case studies. The study sample (see 'Study Sample' section) was selected with the intention of shedding light on several cases of non-religious Kibbutzim of similar background and ideology, but of different economic situation, size and environment.

The model of the Kibbutz (see chapter 4) analyses the role of background and ideology in forming the Kibbutz culture. The case study will try to reveal the dynamics of change in each Kibbutz and arrive at understanding the pattern of change and influence of culture change on change in management style. The model of the Kibbutz principles and values can also be counted as a new knowledge, or rather a new tool.

### 3.6 Research Plan

If I may be allowed to coin my own terminology, this research framework is based on 'humanistic positivism'. The nature of the combination of methods is explained in chapter 3 (Research Design).

The research includes historical study, analysis of publications and five case studies. Informants in the case studies were chosen according to their role in their particular Kibbutzim. Categories of informants are (1) central office holders, (2) veterans of a significant number of years in the Kibbutz, (3) people who now hold or have held in the past important external positions, usually in the Kibbutz movement's establishment. Some individual informants may belong to more than one category, since overlapping between office holders is common in the Kibbutz.

Culture changes are addressed by hypothesis 1 and 2. A change in life style and a change of attitude to work as a basic value are expressions of cultural changes. These changes were be checked against changes in management style as expressed in investment policy

(hypothesis 4) and changes in the nature of the decision making process in different areas of Kibbutz life (hypothesis 3).

Each case study deals with an individual Kibbutz. It includes the history of the individual Kibbutz which enables placing it in the general time frame of the history of the Kibbutz movement and the process of the revival of the Jewish state and the socialist movement in it. In the case studies there is an effort to define the organisational culture of each particular Kibbutz. A review of the culture change and management style is obtained from open-ended interviews with kibbutz members.

Local Kibbutz publications as well as Kibbutz press and article from the general press about the Kibbutz were analysed. The professional and the non professional writers are the 'voice' of the Kibbutz movement and of the general opinion on current matters. Looking at the case studies as a 'multiple case study' unit adds to the significance of the discoveries. While each case gives information on an individual Kibbutz the fact that all cases reveal changes in the same direction is very important and support the validity of the data.

### 3.6.1 Data Collection

A combination of exploratory and descriptive approach was used in collecting data:

Exploratory - unstructured interviews with key people who are formal or informal leaders and public opinion makers.

Descriptive - hard data from the Israel Central Bureau of Statistics and from the Statistical Department of the United Kibbutz Movement.

In both cases I compared all data to my personal observation both as a visitor in many Kibbutzim and as a resident in a Kibbutz for three years.

* Sub-hypothesis 1.2.1.1 from Communalism to Family - general attitude through interview as part of the case study. Questions on family sleeping and dining habits.
* Sub-hypothesis 1.2.1.2 higher standard of living - objective comparison of present to past comparing size of houses, cost of food, cost of entertainment and household gadgets.

* Sub-hypothesis 1.2.1.3 Higher level of education - Time series, number of academic degree holders throughout the history if the Kibbutz. Data from the Israel Bureau of Statistics.
* Sub-hypothesis 1.2.2.1 profit equals success - data obtained through interviews.
* Sub-hypothesis 1.2.2.2 breaking adherence to agriculture - time series of main income providers in the Kibbutz and members' attitude through interviews.
* Sub-hypothesis 1.2.2.3 breaking the self sufficiency rule - members' attitude to this issue through interviews. Compared with relevant data on investments, income, and occupational labour statistics.
* Sub-hypothesis 1.2.3.1 introduction of hierarchy - open ended interviews and closed-end questions relating to the boards of directors of Kibbutz-owned firms; outsiders in boards of directors and managerial positions; decision making power of committees and professionals.
* Sub-hypothesis 1.2.3.2 breaking the rotation principles - open-ended interviews. Data is compared with cases of breaking the rotation principle.
* Sub-hypothesis 1.2.4.1 investment shift - statistical data are available for the last five years (Statistics Department of the Kibbutz Movement). Older data obtained in interviews. Impressions rather than accurate data are obtained in this field.
* Sub-hypothesis 1.2.4.2 human resources shift - hard data from the Israel Bureau of Statistics. Compared with interviews.
* Sub-hypothesis 1.2.4.5 shift in prestigious positions - general opinion by interviews. Representatives of different generations were sought for this topic.

The dynamics of the changes and the bilateral relationships between changes are discussed in open-ended interviews with the informants. Individuals will be encouraged to raise any topic they consider relevant to the discussion as long as they adhere to the general frame of 'culture, organisation and management'. The purpose was to use any relevant information gathered in the interviews. In addition, several subjects are discussed with all informants. Since I have decided not to use questionnaires and not to conduct any structured interviews, no list of questions is detailed. There is, however, a

list of subjects which was raised in all interviews and all interviewees will be asked to comment on:

* Cost of personal needs vs. cost of personal budget. Information from the case studies and costing calculations if exist.
* Partnerships with other Kibbutzim and with private investors.
* Organisational blueprints.
* Selling services as a source of income.
* What needs of the Kibbutz member are to be covered unconditionally?
* Approach to total needs coverage vs. equal distribution of personal budget and consumption.
* Definition of successful/unsuccessful branch/Kibbutz:
* Criteria for closing/selling an economic branch.
* Criteria for giving consent to a member's outside job.
* Approach to replacing members' work with hired labour.
* The contradiction between work as a value and the measurement of performance.
* Practical level of participation in general assemblies.
* Outsiders in Kibbutz management and boards of directors.
* Transfer of activities other than formal - such as eating and sleeping - from the commune to the family.
* Urbanisation of Kibbutz lifestyle - TV, car, large houses etc.
* Attitude toward higher education.
* The decision-making process.

I obtained much information on trends of culture and management patterns from previous and current research studies (see chapter 'Current and Past Research') and the perusal of the Kibbutz literature mentioned above.

### 3.6.2 Study Sample

Pugh in the Aston project lists seven dimensions to be researched in order to compare organisations: i. origin and history; ii. ownership and control; iii. size; iv. charter; v. technology; vi. location; vii. interdependence.

The Kibbutzim for the sample were selected according to similar criteria:

* Size - the range of size of the Kibbutzim is short. The modal size is between 400 to 700 members and children. The small Kibbutzim have under 300 members, usually above one hundred while the few large ones number over 800 members. The case sample is situated mainly in the middle of the range.

The case sample: Amiad - small - 440 persons.
Cabri - median - 850 "
Ma'anit - median - 560 "
Yavne - median - 800 "
Sdot Yam - median - 700 "

* Federation - There are three Kibbutz federations. The United Kibbutz Movement, which is the largest (over 60% of the entire Kibbutz population), the radical leftist National Kibbutz Movement (over 30%) and the Religious Kibbutz Movement (under 10%). The sample includes one religious Kibbutz, one radical leftist Kibbutz, and three of the largest United Kibbutz Movement.

The case sample: Ma'anit - National Kibbutz
Yavne - The Religious Kibbutz
Amiad - United Kibbutz Movement
Cabri - United Kibbutz Movement
Sdot Yam - United Kibbutz Movement

* Sector - All these Kibbutzim have diversified their means of income. In most cases industry was added and in some cases services (usually guest houses) instead or in addition to industry. The sample includes one Kibbutz with a guest house and no industry, one Kibbutz with a combination of industry and guest service, one with a combination of industry and consulting service and four with only industry.

The case sample: Amiad - Industry
Ma'anit - Industry
Yavne - Agriculture

Cabri - Industry and agriculture

Sdot Yam - Diversified (agriculture, industry, tourism)

* Economic Condition - The sample includes cases of different economic conditions. One case faces extreme financial difficulties, two are suffering from moderate financial difficulties while two others are in good stable financial conditions with a highly profitable economy.

The case sample: Amiad - well established

Yavne - well established

Cabri - stable

Ma'anit - economic crisis

Sdot Yam - stable

### 3.6.3 Informants' Sample

The case study approach calls for the facts with the drama, the story behind the facts. Both are important to the analysis. The facts were derived from written material like year books of the specific Kibbutzim, structured interviews and relevant statistics. The dramas will be picked up in unstructured interviews with Kibbutz members and stories from the history of the individual Kibbutzim.

Though opinions of Kibbutz members are of great importance, the main purpose of the case study is to obtain valid information on the issues in question. It is more important, therefore, to get to great depth rather than a wide span in the interviews. Four to five people of each Kibbutz are interviewed. The informant population aimed at belongs to two spheres in the analysed Kibbutzim. The first sphere is the social sphere. Therefore at least two of the interviewees are present or past position holders in the secretariat, preferably the general secretary (see chapter on the Kibbutz for elaboration on the positions mentioned). The other sphere is the economic sphere. At least two of the interviewees are present or past office holders in the relevant main economic operation of the Kibbutz, be it agriculture, industry or service.

### 3.6.4 Structure of a Case Study

The case studies are based on some basic information on the study subject and some 'inside stories' which were obtained by interviews. The structured information includes some basic statistics of the subject:

* Population size and origin.
* Education distribution.
* Demographic data, including changes (time series).
* Economic data.

This information is followed by the history of the Kibbutz obtainable from the Kibbutz yearbooks and other internal publications. Interviewees were asked to point out the important occurrences in the history of the Kibbutz. Economic structure, organisational blueprint and the social structure of the Kibbutz were obtained by interviews. In addition, structured information, viz. the specific "stories" of each case, are detailed and considered in the final analysis.

## 3.7 Past and Current Research

Several research institutes are dedicated to Kibbutz research, most of them doing social research, analysing the Kibbutz as a social phenomenon. Some economic research has been done. Very little was done in the area of management in the Kibbutz. A consulting firm by the name of Vector is active in the Kibbutz movement. Its activities are based on some research, but no pure research has been published yet.

'The Golda Meir Institute for Social and Labour Research' at Tel-Aviv University is involved in some Kibbutz research. A quantitative research concerning consumption patterns in the Kibbutz was published in 1991 by M. Rosner (see bibliography).

'The Institute for Study and Research of the Kibbutz and the Co-operative Idea' in the 'Kibbutz University Centre' of Haifa University is engaged in social research of the Kibbutz movement. Its publications concern demographic (1989 by M. Rosner) and attitudes research (on the rotation principle, by A. Liviatan in 1992) as well as consumption habits (1988 by Helman, Glick, and Goldembers and in 1991 on changes in

consumption habits (1988 by Helman, Glick, and Goldembers and in 1991 on changes in consumption habits by Rosner, Glick, and Goldembers) and change trends (1991 by S. Getz, 1991 by A. Pavin). The latest and most relevant research is that conducted by A. Pavin on organisational patterns in the Kibbutz (December 1992).

'Yad Tabenkin' (The Tabenkin Memorial) - 'The Kibbutz and the Jewish Labour Movement Research Institute' is the research institute of the 'Federation of Kibbutz Movements' (TAKAM). It is engaged in publications on the history of the Kibbutz movement (Roots) and its culture (Kibbutz Trends) as well as some research in these areas ("Historical Research on Socio-political Conditions in the Kibbutz" by Y. Lanir, 1984, and "Communication and Administration in the Modern Kibbutz" Y. Lanir, 1985). In addition several books were published concerning different researches on the Kibbutz movement (see bibliography).

### 3.8 Summary

This chapter discussed the practical side of this research and dealt with the research design and the research plan. The Research Design is the plan of the operation which connects the reality with the theory. A careful and proper research design connects the reality of the research subject with the theory, both the existing one and the new one which is looking for validation. The theory and practice of research were discussed in the two previous chapters. The next chapter leads us to the research subject and presents its reality before going on to its theory, which is dealt with in the next part.

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## 4. Research Subject - The Kibbutz

After setting the research methodology it is essential to present the subject of the research. In order to understand the Kibbutz culture and management patterns in the Kibbutz, a wide range of subjects have to be reviewed and a theoretical basis established. Obviously, the most important of these subjects is the Kibbutz itself. A general review of the Kibbutz movement, its history and its principles is given in the introductory part, before a discussion of roots and origin.

The Kibbutz is a form of social existence comprising every dimension of people's life and embracing the person's entire being. It is a voluntary collective community in a working rural settlement, based on common ownership of resources, total equality in production, consumption and education, and full partnership in ownership of all assets and liabilities. The Kibbutz is based on socialist principles, equality of all members and a communal way of life. The Kibbutz is a Jewish creation and is based both on Jewish culture and tradition and on the Zionist ideology. Work is considered to be a value rather than a necessity and members are expected to contribute as much as they can, not in exchange for any compensation or reward. "From everyone according to his ability, to everyone according to his needs" is the motto of life in the Kibbutz, adopted from Karl Marx. (Social Science Encyclopaedia, Value - Kibbutz, 1970).

There are 270 Kibbutzim, with total population of about 130,000. The most common population of a single kibbutz is around 500. 66% of the communities have 300 to 700 members. This means that in most of the kibbutzim every member knows all the other members personally, a fact which is very significant where culture and management are concerned.

The first two hypotheses address the issues mentioned above, viz. work as a value and the communal life. Both hypotheses assume a change from the traditional Kibbutz way to a more urban way of life.

Today there are three different kibbutz movements, distinguished by their political orientation. "The United Kibbutz Movement" (known in Hebrew by the acronym TAKAM) comprises 62% of all the kibbutzim, "The National Kibbutz" which unites the more leftist-oriented kibbutzim ("Hakibbutz Ha'artzi") 31%, while the Religious Kibbutz ("Hakibbutz Ha-Dati") constitutes 7% of the total number of kibbutzim. All the kibbutzim in all the movements are federated in "The Alliance of the Kibbutz Movement" which is very active in representing all the kibbutz movements in negotiations with the government on subjects of general interest, such as agricultural subsidies, education support etc.

The ideal of pioneering settlements and their contribution to the revival of the Jewish state of Israel, as well as the model for a society based on social justice became an attraction for Jewish youths in and beyond Israel. Pioneering youth movements became the major contributors of manpower to the Kibbutz movement. In the first decades of the Kibbutz movement agriculture was the main economic activity and bore the value of connection to the land. In the 1960s industry began gradually to replace agriculture, but only in the late 1980s did it become the largest employer and the main income generator in the Kibbutz. A large part of the Kibbutz industry is agriculture-related. Agriculture is responsible directly and indirectly (through the agriculture-related industry) for 60% of Kibbutz income and until today no Kibbutz has given up agriculture completely (Maron S., 1991). The Kibbutz movement is a federation of rural agro-industrial villages. According to Y. Talmon (1970) they can be seen as evincing a pattern akin to that labelled by Max Weber as Protestant Ethic, according to which productivity and economic success, simple life style and modest consumption are expressions and symbols of values.

### 4.1 The Kibbutz Movement and the Israeli Society

The Kibbutz movement has played a massive role in the revival of the Jewish settlement in Israel. During the 1930's some Kibbutzim (the plural for Kibbutz) were built during one night, as part of the 'Power and Stockade Operation'. The Kibbutzim served as hosts of the Jewish underground movement - the Hagana, and its operative units - the Palmah.

At the same time the Kibbutz movement became the major agricultural power in the state to be. By the time the State of Israel was established in 1948, out of 291 agricultural villages in Israel 149 were Kibbutzim. During 1948 - 1949, the first two years of independence, 79 new Kibbutzim were founded (Encyclopaedia Judaica). Stanley Maron (1990, 1991) claims that there are no accurate statistics of the proportion of the Kibbutz movement in the total economy of Israel. It is estimated, however, that the part of the Kibbutz movement in the Israeli agriculture in 1990, in land resources, is about 50% (Maron, 1990).

Although there was a steady growth in the Kibbutz population since its inception, it never reached more than 8% of the population of Israel. Most of the time the Kibbutz population was about 4% of Israel's population and lately it has dropped to around 3%. 1988 was the first year in the history of the Kibbutz movement that the total number of members of the Kibbutz movement went down. Since then however, the Kibbutz population is again on the upswing. Figure 4-1 shows the population distribution in the Kibbutz movement and its share in the Israeli population

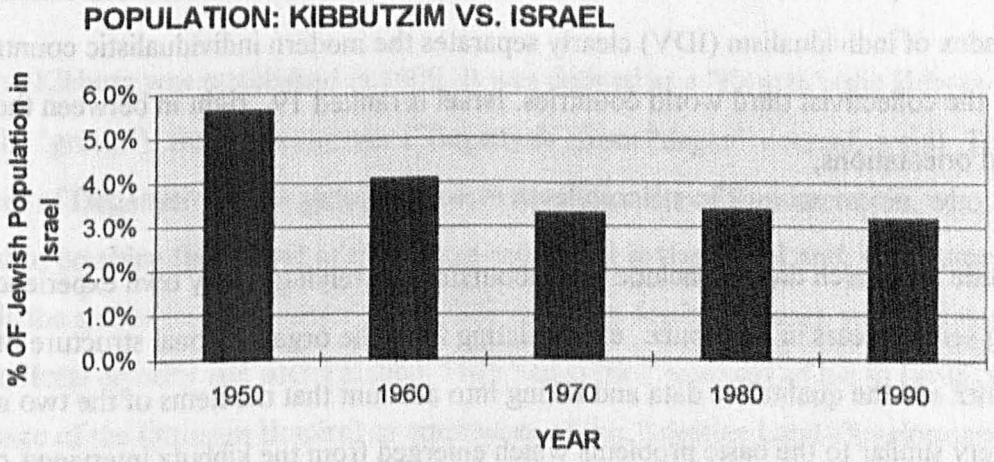



**Figure 4 - 1**

The Kibbutz movement's share of public activity is much larger than its 4% share of the Israeli population. In the mid-sixties about 12% of GNP was generated by the Kibbutz

movement. At one time, 20 out of 120 members of parliament were Kibbutz members and the number of army officers of Kibbutz origin is much higher than its relative part of the population.. The Kibbutz had a tangible effect on the urban Israeli society. Israeli society considers the Kibbutz as a typical Israeli creation. Similarities of value orientation between the larger Israeli society and the Kibbutz are apparent in Hofstede's comparative research on national cultures. Hofstede (1991) measures four dimensions of national cultures in 53 countries from all around the world among them Israel. "A dimension is an aspect of a culture that can be measured relative to other cultures". Among the four dimensions two are especially relevant to the Kibbutz culture and to its changes: power distance (from small to large) and collectivism versus individualism.

"Power distance (is) the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally...Individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family. Collectivism as its opposite pertains to societies in which people from birth onward are integrated into strong, cohesive in groups, which throughout people's life time continue to protect them in exchange for unquestionable loyalty" (Hofstede, 1991).

Interestingly the same issues emerged in the interviews with my informants (see chapter 13). On the power distance index Israel ranks 52nd out of the 53 states. The ranking on the index of individualism (IDV) clearly separates the modern individualistic countries from the collectivist third world countries. Israel is ranked 19, right in between the two world orientations,

Hoftede's research did not include the Kibbutzim But relying on my own experience of living several years in a Kibbutz., extrapolating from the organisational structure of the Kibbutz and the qualitative data and taking into account that the items of the two indices are very similar to the basic problems which emerged from the kibbutz interviews on values, I see some justification to speculate on the probable outcome of such research in the Kibbutz.

The power distance index in the Kibbutz should be especially low since there is no overall organisational hierarchy and no authority of one person over the other. The

indices could be suitable instruments to prove the changes in value orientation. The introduction of industry in the Kibbutz created a sectarian hierarchy in the industrial enterprises which probably would show some increase of the power distance measures. The more recent changes in the status of the family, patterns of consumption, choice of occupation, and private property would strengthen the index of individualism. I assume that on both indices the Kibbutz would still rank much lower than the larger Israeli society.

### 4.2 History of the Kibbutz Movement

Historians differ in their opinions on when and where are the roots of the Kibbutz movement in place and time. While 'Deganyah' is, no doubt, the oldest Kibbutz (founded in 1909), some claim the seniority for the consumer communes like the 'Hadera Commune' and some others which were common among the workers of the 'second immigration wave', or the builders' communes at the turn of the century, the 'Masons' Commune of Jerusalem', the ' Labour Legion' (see chapter 9.3 on Jewish Communes), and the ' Segera Collective', all of which practised both communal consumption and communal work (Shepher, 1977).

The first Kibbutz was established in 1909. It was defined as a "Kvutza" (the Hebrew word for "group"), and given the name 'Deganyah' (from "dagan" - cereal, grain). The founders of Deganyah were a group of Jewish revolutionists of Russian origin, who decided to combine the revival of the Jewish settlement in the Holy Land, which started towards the end of the 19th century (see chapter 5.2 on Jewish history), with a new way of life of total equality and social justice. They began their new way of life in Israel (then a province of the Ottoman Empire) as employees of the 'Palestine Land-Development Company' and in 1909 established an independent community. The second Kvutza, 'Kineret' (the Hebrew name of the Sea of Galilee) was founded in 1913, not far from Deganyah. Both Deganyah and Kineret still exist. In 1914 there were already 11 Kvutzot (plural of Kvutza). This number grew to 29 by the end of 1918. All communities settled on 'Jewish Fund' land and were financed by the Zionist Movement. The Kvutza was very small and was of an extended family nature. After WW1 the idea of a larger,

independent, self-sufficient community was raised and the name 'Kibbutz' (Hebrew for gathering) was coined. The first Kibbutz of this type was 'Ein Harod' which was founded in 1921. (Encyclopaedia Judaica). The Kibbutzim and the Kvutzot joined forces to establish several federations:

**4.2.1 'Hever ha-kvutzot'** (Hebrew for 'the Kvutzot Association') the oldest federation, was founded in 1921 and united all the small communities which were totally agricultural, among them Deganyah, the first of all Kibbutzim and Kvutzot. The small groups union believed in small separate communes with a small predetermined number of members. The individual Kvutza had no desire to expand beyond its predetermined size. Most members believed in the ethical socialist concepts of A.D. Gordon (see chapter 6.3 on Judaism and Socialism) and were member of 'Mapai' - the Israel Labour Party.

Two other Kibbutz federations, 'Ha-Kibbutz Ha-Meuhad' (Hebrew for 'The United Kibbutz') and the radical leftist 'Ha-Kibbutz Ha-Artzi' (Hebrew for 'The National Kibbutz') were both founded in 1927. The religious Kibbutz federation 'Ha-Kibbutz Ha-Dati' (Hebrew for 'The Religious Kibbutz') was founded in 1935.

**4.2.2 Ha-Kibbutz Ha-Meuhad** (The United Kibbutz), founded in 1927. As opposed to the first federation, 'Hever Hakvutzot', the United Kibbutz Movement promoted the idea of a large Kibbutz with no predetermined number of members. The Kibbutz, according to the United Kibbutz Movement, should be open to all people regardless of their political upbringing and aims to accept members representing a wide range of geographic origin. An outcome of 'Gedud Ha-Avoda, (the Labour Brigade) the United Kibbutz Movement did not limit itself so dogmatically to agriculture, but aimed to engage in any productive activity, be it agricultural and/or industrial. When the United Kibbutz Movement was founded it was based on one Kibbutz (Ein Harod, founded by the Labour Brigade in 1921) and several groups of youths. In 1929 several more Kibbutzim joined the federation. The United Kibbutz Movement held its second conference in 1936 and approved the administrative and financial autonomy of individual Kibbutzim. The federation kept its authority in matters of ideology. The United Kibbutz Movement, led

by its spiritual and ideological leader Yizhak Tabenkin (see chapter 6.2 on Socialist Trends in Judaism) committed itself to defend and help to build and expand the reviving Jewish settlement in Israel. Under the British Mandatory regime the Movement's Kibbutzim, with Kibbutzim from the other federations, were active in illegal immigration and in the struggle for independence.

At its 1951 congress the federation split on ideological issues. The smaller separated part 'Ihud Ha-Kibbutzim' (Hebrew for 'the Union of the Kibbutzim") merged with 'Hever Ha-Kvutzot' to form the 'Ihud Ha-Kvutzot Ve-Ha-Kibbutzim' ('The Union of Kvutzot and Kibbutzim', see below). At the 1955 federation conference the political issue of the legitimate borders of Israel was discussed and it was decided that the legitimate borders of Israel should be those of the historic homeland of the Jewish people. It was in this spirit that after 1967 the United Kibbutz established the first Kibbutz on the Golan Heights, a territory previously occupied by Syria (Nir, 1984).

**4.2.3 Ihud Ha-Kvutzot Ve-Ha-Kibbutzim** (Hebrew for 'Union of Kvutzot and Kibbutzim'), was founded in 1951 through the merger of the first Kibbutz federation 'Hever Hakvutzot' with the 'Ihud Ha-Kibbutzim', which had split from the 'Ha-Kibbutz Ha-Meuhad ' due to ideological differences.

While the Socialist nature of the Kibbutz movement was an accepted tenet, there were widely divergent opinions about the movement's attitude toward the Soviet Union and the personality of Stalin as its leader, as well as other potentially divisive political issues. As mentioned above, these issues caused a split within 'Ha-Kibbutz Ha-Meuhad' during the 1951 federation congress. Part of the federation formed a new organisation - 'Ihud Ha-Kibbutzim' (Hebrew for The Kibbutzim Union) which eventually joined the 'Hever Hakvutzot' to form the largest Kibbutz federation: 'Ihud Ha-Kvutzot ve-Ha-Kibbutzim'. Both these federations leaned towards the Labour Party and since they had no significant political disagreements, the differences between the two federations disappeared gradually. Over the years most of the differences between the Kvutza and the Kibbutz vanished as well, until only the names remained. The 'Ihud' is the largest and most liberal

Kibbutz federation. It allows more political and social diversity and more autonomy to its member communities. The Ihud was the first to introduce 'family sleeping' as a replacement for the Children's Homes. It also pioneered expanding the members' personal budget and allowing more freedom in private spending.

The federation is controlled by an Executive Committee of representatives from all the member Kibbutzim. It operates a purchasing service, an economic assistance department and other consulting services for its members. The federation sends delegates and emissaries to work in youth movements in Israel and abroad.

During the last two decades the differences between the two federations have diminished almost to the point of insignificance. Today the Union of the Kvutzot and Kibbutzim (Ihud) and the United Kibbutz (Meuhad) are operating under the joint umbrella of the 'TAKAM' (Hebrew initials for The United Kibbutz Movement - see above). All Kibbutz federations are co-operating within a single high-level organisation, 'Brit Ha-Tnuah Ha-Kibbutzit' (Hebrew for 'Alliance of the Kibbutz Movement').

**4.2.4 Ha-Kibbutz Ha-artzi Ha-shomer Ha-Tza'ir** - Hebrew for 'The National Kibbutz, the Young Guard. The term "National" in this context is misleading since the movement is not a state or government branch. It is the translation used by the Encyclopaedia Judaica (Volume 10), although the literal meaning of the Hebrew word 'Arzi' is 'country wide' or 'earth bound'. The movement was founded in 1927. According to the ideological approach of this federation the Kibbutz was an instrument in fulfilling the Zionist ideal, carrying on the class struggle in the society, and establishing a socialist society. The founders of the National Kibbutz were members of 'Ha-Shomer Ha-Tza'ir' (The Young Guard), a youth movement which came to Israel from Poland in 1919. In 1920 the first Kibbutz of the movement, Beit Alfa, was established and in 1922 settled in its permanent location. By 1927 The Young Guard had six Kibbutzim. Four of them founded the National Kibbutz federation. In the next 40 years the population of the National Kibbutz grew from 249 to 31,000. The National Kibbutz is more dogmatic than

the other two federations. It does not allow autonomy of the individual Kibbutz in education and politics and seeks to develop an 'Ideological Collectivism' on these issues.

The National Kibbutz was, from its beginning, a more radical leftist movement. It favoured the union of all workers, including those of the cities. Though such a union did not materialise, in 1936 a Socialist League was formed, as the urban political partner of the National Kibbutz. In 1946 a political merger of the two formed the 'Ha-Shomer Ha-Tza'ir Party' which in 1948 took the name of 'MAPAM'- The United Workers' Party of which the United Kibbutz is an integral part (Encyclopaedia Judaica).

**4.2.5 Ha-Kibbutz Ha-Dati** (The Religious Kibbutz) was established in 1935 by four religious settlement groups from Germany and Poland. Most of its development took place before 1948. Seven settlement groups were founded before 1940 and nine more before 1948, of which ten became Kibbutzim. Two more Kibbutzim were founded in 1948. During the War of Independence in 1948 six of the religious Kibbutzim located in areas populated by Arabs were totally destroyed and most of their adult population killed. Some of these Kibbutzim were re-established within the post-war borders and after nearly ten years of stagnation another religious Kibbutz was founded in 1966. At the end of 1967 the Religious Kibbutz Movement had 11 Kibbutzim with total population of 4,000 members.

The Religious Kibbutz Movement was based, from its inception, on the idea of combining religious practice with labour. For the founders the communal group seemed to be the best means of fulfilling this ideal. The religious socialism of the Religious Kibbutz is based on religious law and social justice and 'Talmudic' principles of human relations and good government.

The aim of the Religious Kibbutz Movement is to build a self-contained religious society as part of a religious renewal in the new independent state of Israel. The Religious Kibbutz added a religious 'flavour' to secular holidays like the Independence Day and religious laws like Shmita (see chapter 6.2 on Judaism) are observed in a "modernised"

way. The Religious Kibbutz is active in supporting a religious youth movement ("Bnei Akiva") in Israel and in other countries. It has several publications, among them a monthly magazine for religious, public and state issues, as well as internal affairs. Concerning political issues, the members of the Religious Kibbutz movement hold a variety of opinions, mostly within the boundaries of the religious parties. One group was among the founders of a more left-wing oriented faction, 'La-Mifneh (Hebrew for 'toward change').

### 4.3 Kibbutz Values and Principles

The Kibbutz values emerge from the movement's roots which are discussed in the next part of this work. The way of thinking in the Kibbutz was thoroughly idealistic. When reality failed to meet expectations, ideals were strong enough to drive away any doubts. Domination of ideals in the first 50 years prevented destruction and giving up, and bridged the gap caused by the lack of proper educational preparation for the pioneering way of life. The second hypothesis addresses the change in this ideological thinking through the attitude to work as a value.

The Kibbutz movement sees itself as a Jewish entity. This is reflected in two basic principles which guide the Kibbutz movement - Zionism and Jewish tradition. While Zionism is widely acknowledged and enjoys total consensus among all Kibbutz federations (Golomb and Katz, 1971), the place of Jewish tradition as a 'value' is not so clear from Kibbutz publications. However, the connection to Jewish roots becomes quite clear when Kibbutz life is observed.

The history of the Kibbutz begins with the socialist movements of Eastern Europe (see chapter 6). Socialism also connects the Kibbutz with other movements of the same socialist ideas. Socialist ideas also influence the political affiliation of the Kibbutz people. Most Kibbutz members are affiliated with the labour movement. The more leftist Kibbutzim have a strong relationship with the Israeli leftist workers' party 'MAPAM' - the United Workers Party. All Kibbutzim are affiliated with the General Federation of Labourers, the 'Histadrut'. In accordance with this affiliation one of the ultimate targets

of the Kibbutz ideology is to improve the conditions of the workers in Israel (see chapter 6.2 on Socialism and Judaism).

The Kibbutz movement's interpretation of its socialist ideas are expressed in two basic principles - Equality and Communality. While equality is not debated generally, different societies have different interpretation of this principle. Communality, on the other hand, has a much more narrow range of interpretations. Very few societies, however, voluntarily follow this principle.

### 4.3.1 Zionist Principles in the Kibbutz

It may seem that the Zionist principles of the Kibbutz movement have nothing to do with this research, since none of the hypotheses addresses them directly. However, the understanding of the Kibbutz and the driving forces behind different processes in the Kibbutz society makes it necessary to discuss issues which are not directly related to the hypotheses. Some relevance may emerge in observing changes in attitude to the Zionist ideology and the direction of these changes.

The Kibbutz movement regards itself as a major contributor to the revival of the modern Jewish state in the Jewish homeland. The founders of the Kibbutz movement wanted to combine the realisation of social justice and the revival of Jewish life in an independent Jewish state in the historic State of Israel. The Kibbutz movement, therefore, allocates some manpower to public missions. A certain percentage of Kibbutz members was asked to volunteer for military and public duties as part of the movement's contribution to the State. Allocating manpower for political and public positions - local and national - is also considered to be an obligation of the Kibbutz movement to the State. There is the traditional 'third year service', which is one year of some kind of service which the young generation contribute after their army service (the name was coined at the time when the army service was two years long and the service year was a third year of national service). This year can be either a national service, usually in education services in developing areas, or one year of service with a young Kibbutz which is in need of support.

Zionism in the Kibbutz movement is also expressed through the attitude toward the land. Kibbutzim were deliberately established in remote areas in order to conquer the desert, and along the borders, in order to defend the country. No Kibbutz owns its land. The land is owned by the State and the Kibbutz only leases the land. In spite of that, working the land and defending it is one of the characteristics of Kibbutz life. Altogether the Kibbutz is a "frontier society" in many aspects and the national interest is a significant consideration in its life (Lanir, 1990).

The Kibbutz movement currently participates in absorbing the latest wave of immigration of Russian Jews in the " Operation First Home". In this operation Kibbutzim take families of immigrants with the obligation of providing accommodation, food, work (for an agreed wage) and Hebrew lessons. The purpose of "Operation First Home" is not to absorb the immigrants into by Kibbutz, but to ease their absorption in Israel. As Uri Cagan, General Secretary of Kibbutz Amiad put it: "I would like most of them to stay in Amiad, but in some cases it is not possible. There is, for example, a Ph.D. in Geology and we pulled some strings to find him a job at the Hebrew University in Jerusalem. As much as I would like him to stay here, I can't expect him to travel three hours to work and three hours back."

### 4.3.2 Jewish Tradition in the Kibbutz

The Kibbutz founders came from the secular Jewish society of eastern Europe. With the exception of the Religious Kibbutz movement, the Kibbutz is not a religious society. It has, however, strong connections with Jewish tradition and is strongly rooted in Judaism. The connections of the Kibbutz movement with Judaism are cultural rather than religious ones. Though all the religious holidays are kept, their interpretation is more cultural than religious.

The connection of the Israeli society in general and the Kibbutz community in particular with its history goes back directly to the biblical period. While the connection of the Kibbutz to the Biblical period is very strong, its connection to the two millennia of the

Diaspora, i.e. between the destruction of the second temple (1st Century AD) and the establishment of the state of Israel (20th Century AD), is almost non-existent.

Historical roots are expressed by the revival of the biblical Hebrew language which was used for two thousand years only for prayers. It is interesting to note that the modern Hebrew language is essentially the same as the Biblical Hebrew, albeit developed and adapted to modern times. So, for instance, if by a miraculous incident King David would be walking into an Israeli school today, any child could conduct a fluent conversation with the late King. Connection of Kibbutz culture as well as Israeli culture to the biblical period is demonstrated by using Hebrew names and particularly biblical names for people and places. Many places in the modern State of Israel bear their original biblical names.

The Biblical period occupies a significant part of the formal education programme in Israeli schools. Most of the holidays celebrated in Israel, both in schools and in private households, have a biblical origin. The Israeli holidays are either very modern, like Independence Day, celebrating the establishment of the modern state of Israel, or as old as the biblical period. The last of the old historical holidays is the memorial day for the Bar Kokhba revolt (132 AD) which marked the end of the ancient Jewish state (see chapter 5.2). The first of the modern holidays is 'Tel-Hay Day', which has to do with the revival of the Jewish settlement in Israel and commemorates the settlers of Tel-Hay, who fell in battle while defending their home against the attack of an Arab mob at the turn of the century. There is no celebration or memorial of any event between these two.

The religious holidays are part of the Kibbutz culture, although in a somewhat different 'dressing' than in the rest of the Israeli society. Most religious holidays are celebrated in the Kibbutz. However, the ceremonies in the Kibbutz usually emphasise the agricultural aspect or some other aspect tied to the land, and thus probably go back to the more ancient - and possibly prehistoric - roots. The three High Holidays celebrated at the ancient Temple in spring, summer and autumn became ceremonies for sowing, reaping and harvest. Hanuka, another religious holiday, which commemorates the reconsecration of the Temple after liberation from Greek rule and idolatry (1st C.), became a holiday of

freedom. Saturday in the Kibbutz, as well as in all the State of Israel, is a Sabbath and no work is done. In the early days of the Kibbutz movement the proposition was raised to make the resting day other than Saturday, claiming that the Kibbutz is a secular society and does not need the religious laws. This proposition was rejected and the Jewish nature of the Kibbutz movement was retained (personal interview with professor Rivka Bar-Yoseph, one of the founders of Kibbutz Ma'agan). On Friday night there is a traditional religious ceremony in the public dining hall even in most of the non-religious Kibbutzim.

There is a strong connection between the Kibbutz movement and world Jewry through emissaries, who go from Kibbutzim to Jewish communities around the world, and volunteers who come from Jewish communities to work in the Kibbutzim. World Jewry is a financial source of support and a source for both temporary work force and new members joining the Kibbutz permanently.

### 4.3.3 Communal Principles

The Kibbutz is based on agricultural socialism, which is different from the urban industrial socialism, and makes communal life almost natural. The desire for communality was based both on ideological and practical reasons. The practical explanation was similar to that of the early American Communes (see chapter 9.2 on Communes) and that of the Bilu Commune (see chapter 5.2 on Jewish communes). The people of the Second Immigration Wave (see chapter 5.2) who founded the Kibbutz movement believed that communalism is the only way in which the poverty of the land and the weakness of the people can be overcome. This was the rationale which was added to the deeper belief that communalism is the only way to remedy the social illnesses of the Jewish people. The revival of the Jewish state, according to the Kibbutz founders, should come with a moral upgrading which should be expressed in a social communal organisation (Kanary, 1989). The role of the communal idea is addressed by the first hypothesis .

Children are raised in 'Children Homes' were they get their education, play, and do their homework. I deliberately do not use the term 'dormitories' because the Children's Home is perceived as indeed the home of the children, and not merely as an accommodating

solution. The children's homes were gradually replaced by family sleeping. However, until very recently many Kibbutzim still maintained common children homes. Several years ago the whole Kibbutz movement made a decision in favour of family sleeping. No private property is allowed and no independent sources of income are permitted. Lately there have been some changes. Still, all members of the kibbutz maintain the same standard of living. The same formal value is placed on all types of work. While most people have a permanent job there is a high level of mobility from job to job according to need.

### 4.3.4 Egalitarianism

This principle, which was very clear and simple in the early days of the Kibbutz, is now wide open to interpretation. In the early days of the Kibbutz movement its meaning was simple and meant equality in consumption. Other areas such as self-fulfilment, influence, and other non-material aspects of life were not discussed. Equality meant provision of all needs and the lack of any connection between production and consumption. Personal compensation was, and still is granted according to needs, limited by the ability of the community. The Kibbutz provides all economic, social, and cultural needs of its members (Golomb and Katz, 1971). This issue is indirectly addressed by the second hypothesis. The strengthening of the family boundaries influences the definition of needs and the way these needs are taken care of.

Equality is a subject widely discussed from early times. Aristotle defined two types of equality:

i. Arithmetic equality, in which the rights for compensation are equal for all individuals,
ii. Proportional equality, in which all rights are equal in relation to specific criteria (for example, equal rights to consume for equal contribution).

The proportional equality coincides with the principle of 'Distributive Justice' which claims that justice prevails when there is a reasonable connection between compensation on one hand, and efforts and contribution on the other. The principle of Distributive

Justice is not kept in the Arithmetic equality in which the right to consume is unconditional (Shur and Rosner, 1983).

S. Shur in his paper on the Equality idea in the Kibbutz movement (Shur, 1983) indicates the tight connection between equality and communality in the Kibbutz movement and discusses the changes in the perception of equality in the Kibbutz movement. Based on the Aristotelian perception of equality Shur presents three ways of perceiving equality:

i. Qualitative Equality - equal right for the fulfilment of different needs.

ii. Mechanistic Equality - total equality of consumption.

iii. Criteria Equality - equal criteria for consumption.

The 'new equality' which developed in the USA (Gans, 1974 in Shur, 1983) hesitated between the equality of opportunity and the equality of results. In the early days of the USA, like the early days of the Kibbutz, scarcity dictated equal basic needs. Both opportunities and results were not subject to any inequality. However, while the Kibbutz remained in its culture of scarcity for many years, the frontier period in the USA created almost unlimited opportunities for the individual. This situation, therefore, put the idea of equality on low fire.

The Israeli declaration of independence promises equal opportunities. Social reform in the 60s assumed that the main reason for poverty is the inequality in education. This assumption promoted the idea that equal opportunities are not enough and society should strive for equal results as well. This meant redistribution of educational resources. The equal distribution of resources was broken in order to achieve equal results in education. This type of equality resembles the 'Equality Solution' of the Distributive Justice approach (Sampson, 1975 in Shur, 1983), which is close to 'Equality by needs'. This approach means equal rights for the fulfilment of different needs. This type of equality is very close to the approach of the Kibbutz to equality. The other approach is the equity solution which is not relevant here.

The equality in the Kibbutz movement started in the 'Hadera Commune' which preceded the first Kibbutz. Two significant stages in the development of the equality principle are indicated by Frankel (Frankel, 1975). The first stage was the establishment of the 'consumers commune' in 1911 which meant equality in the standard of living. The second was the establishment of common education which meant equality in education. The first Kibbutzim tried to create a society of economic equality.

Equality included:

i. equality of production potential, or at least equality of the daily work quota.

ii. equality of expenses (to cover needs).

iii. equality of all children-related expenses (through common education).

iv. equality in social security (health and old age support).

Some non-economic aspects of equality were also included:

i. equality between sexes (though not for long).

ii. equality of influence (through self-management and rotation in central positions).

iii. equality in developing the creative potential.

iv. equality of welfare rights (health care and old age security).

Only the Hadera Commune was a 'total equality' society with a common treasury. In all the rest erosion started with personal belongings and continued when the Kibbutz became a multi-generation society. In today's Kibbutz there are five areas relevant to the discussion of equality:

i. economic equality in the domain of consumption: the principle of separation of compensation from contribution. The issue is dealt with in the first hypothesis on private consumption.

ii. political equality through direct participatory democracy: the third hypothesis on decision making.

iii. equality opportunities of prestige and potential influence through rotation in key positions: the second hypothesis on work as value .

iv. equality of belonging through the voluntary membership.

v. equality of opportunity for self-fulfilment through rights of self-development. (Frankel, 1975)

**4.4 Kibbutz Culture**

During a debate over the issue of homosexuality in January 1993, Mrs Yael Dayan, a labour party member of the Knesset (the Israeli Parliament), said that even King David was homosexual. This argument, whether valid or not, demonstrates the solid connection of Israel today with its ancient history. The Israeli ancient culture created a society which was progressive in its time, with welfare laws and a high level of compulsory mutual responsibility. The Kibbutz may be seen as a modern expression of this trend in Judaism. The connection of the Kibbutz to the Jewish history is quite evident in the Kibbutz culture, as was indicated in the chapter on the Kibbutz and Jewish tradition.

The Kibbutz culture is a derivative of its Jewish tradition, its socialist ideology and its own inherent rituals which emerged from its day-to-day life. It is interesting to comment that among the principles of the Kibbutz we do not find freedom. Freedom of the individual is of secondary importance. Since mutual responsibility and partnership do not go together with freedom, freedom is sacrificed for the other basic principles. Hofstede (1991) in discussing individualism versus collectivism see a necessary trade off between freedom and equality. Freedom in the Kibbutz is mostly limited to the choice of living in the kibbutz. Unlike the Russian 'Kolhoz' or the Chinese collective, membership in the kibbutz is voluntary. However, members of the kibbutz have obligations, e.g. the obligation to perform any work the member is asked to do for the benefit of the community.

The Kibbutz developed its own unique culture which, as indicated above, is an amalgamation of its roots and principles. This culture, though constantly changing, seems sometimes anachronistic. Standard of living, in general, is not very high, though since life style is totally different from that of non-communal life, a comparison is not easy. In the past the private residence has been of one room. At the beginning all the "usual offices"

showers, kitchen, dining hall and children's houses were in the public domain. Changes started here when personal comfort and family functions became criteria for the planning of the private homes. Expanding the functions of the family including children sleeping and partial catering called for larger family homes, however, these are still smaller than the average urban family home.

Researchers argue whether the kibbutz is a realisation of a utopian society - a model of a future co-operative society or a "totalitarian" collective community. Attempts to put the kibbutz in the traditional sociological boxes like "utopia" or "ideological cult" have failed. The kibbutz proved to be a unique community which represents a combination of interests which are basically contradictory; among these are the family and the commune, which are addressed by the first hypothesis. The family in the kibbutz is not an economic unit. There is no change in standard of living if one family member dies or leaves the family. This may be the reason for the high divorce rate in the Kibbutz. Recent research also suggests that the number of unwed mothers is relatively higher in the kibbutz than in the rest of the Israeli society.

The uniqueness of the kibbutz may be the source of its strength, which enabled it to undergo continuous changes and survive as a unique collective community. Like the "totalitarian democracies" the kibbutz is utopian. However, the kibbutz avoided the danger of developing a charismatic authoritative leadership which is so typical of some religious and ideological cults. The kibbutz is a combination of utopian "totalitarian democracy" and pragmatic "liberal democracy" (Talmon, 1955).

The definition of "basic needs" which the Kibbutz is committed to provide to its members is somewhat flexible. Some needs were not considered basic 50 years ago but are basic now. The kibbutz movement advanced considerably in this respect since the founding days. Higher education, for example, though not considered a basic need, is still considered a privilege of every member of the kibbutz. Years ago the kibbutz tried to direct people to study subjects which were of interest to the kibbutz. In most kibbutzim

this is not the case any more. There is, however, a waiting list for going to study and attending university right after the army is not considered a basic need.

The Kibbutz was founded as a utopia, based on ideological, metaphysical, values. All its root values are ideological and not materialistic. No material compensation was considered as proper, therefore the Kibbutz should provide **all** the needs of its members unconditionally. The slogan (taken from Marx) which demonstrated it best is "to each according to his needs, from each according to his abilities". In practice the mutual responsibility is expressed in the most comprehensive welfare system for the members and their children. The Mutual Responsibility tenet was confirmed in congresses of the different Kibbutz federations. In 1964, at the fourth congress of the Kvutzot and Kibbutzim Union it was reconfirmed that "...the influence of the Kvutza on its environment is in the power of its collective creation, the power of an example of a more decent way of life, life of more equality and more mutual responsibility among people..." (Rosner, Shur, Chizik and Avnat, 1989).

The Kibbutz, both legally and by culture, is indivisible. This guarantees the existence of the individual Kibbutz as an entity and its independence of from the number of members. Though the members 'own' the assets and property of the Kibbutz by being full 'partners' in the commune, they can not sell or take with them any part of their equity when they leave. Nor is a new member expected to buy his share in the commune when he joins.

### 4.5 The Kibbutz Tree Model

Metaphysical aspects such as values and ideology do not lend themselves easily to formal models. Hofstede (1991) uses an onion shape to describe the core values of culture and the practical 'outer layers'. Lessem (in Global Management Principles, 1989) uses a living analogy to model the metaphysical. "The tree of knowledge" is a model of managerial knowledge.. In Lessem's model the environment is represented by the soil feeding the roots which represent the academic foundation of the core concepts. The core provides the concepts to the day-to-day applications represented by the branches while the fruits represent the case examples.

A tree model is found also in Daniel McCallum of the Erie Line railroad. McCallum described a formal organisation chart of the railroad company in the shape of a tree, in which the Board was represented by the roots, the branches represented the different divisions, and the leaves represented the local ticket and other offices. (McCallum D. "Superintendent's Report" 25 March 1986, in Annual Report for the New York & Erie Railroad Co. 1985, in Lessem, 1989).

Each of these types of models is suitable for a static analysis of the kibbutz at a fixed point in time. I looked for a model which will express the dynamics of a social movement which emerged from a primary value base translated into general guidelines and finally applied to norms of behavior. I adopted the tree model as a metaphor for a growing, living entity. Like the two tree models mentioned my model uses also the three primary elements of a tree: the roots, the trunk and the branches. (Leaves can be added if more particulars are wanted). The essence of my model is the growth of the principles from the values and the practice from the principles.

In a way the model is of the ideal Kibbutz, of the values and principles derived from the ideology, culture, and vision which are the foundation of the Kibbutz movement. The particular items are the day-to-day activities..

The principles and values of the Kibbutz can be classified in three categories which represent three different levels. The first level is that of the 'Roots'. The roots represent the ideological and cultural foundations of the Kibbutz movement. These are the universal values on which the Kibbutz movement is founded and the culture from which it emerged. The roots of the Kibbutz movement are Judaism and Socialism. The Kibbutz founders aspired to combine the creation of a society based on social justice with a permanent solution to the problem of anti-Semitism through the revival of the Jewish state. The Kibbutz, according to its founders, should be a society based on solid foundations of social justice which will be an example for its surrounding society and the whole world.

The second category is that of the basic principles. Based on the roots and emerging from them these principles act as an interface between the basic values and reality. These principles, in a way, set the boundaries of the basic values and determine the nature and character of the Kibbutz movement. While the basic values are universal and may be shared with other societies, the principles are the interpretation of theses values. This interpretation is unique to the Kibbutz movement and distinguish the Kibbutz movement from most other socialist movements.

**THE TRADITIONAL KIBBUTZ TREE MODEL**

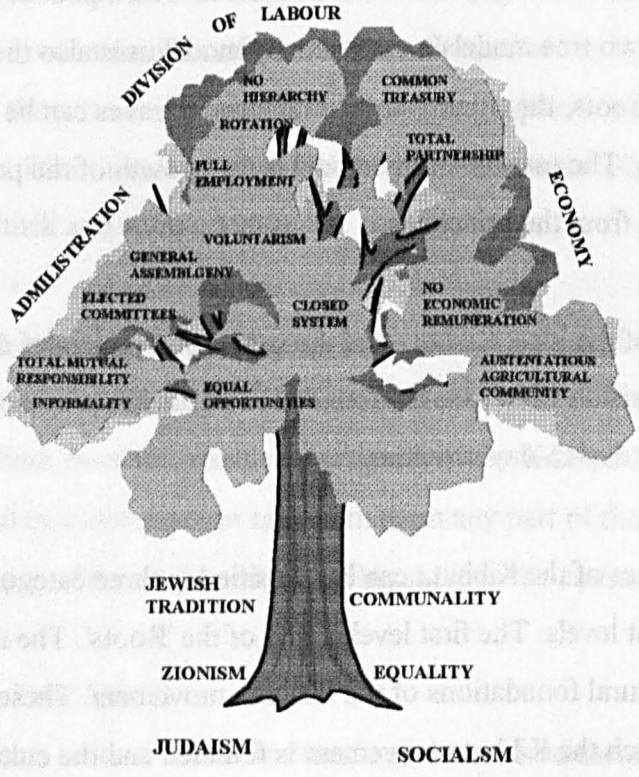



**Figure 4 - 2**

Two derivatives of Judaism - Zionism and religious tradition - place the Kibbutz movement among several movements active in the revival of the Jewish state (see

chapter 5.2). Two principles which are the derivatives of socialism differentiate the Kibbutz movement from other socialist movements. These are Equality and Communalism (see chapter 6 on Cultural and Ideological Roots)

The third category is that of practical principles which act as guidelines for everyday life. These principles are derived from the basic principles and are the guidelines for day-to-day activities in all relevant aspects. The two areas relevant to this research are organisation and management. Other areas like Education, Leisure, and others, though no less important, are beyond the scope of this research.

Adopting McCallum's and Lessem's 'living organism' approach of modelling, we can illustrate the three levels of principles and values in the form of a tree. The roots represent the root values - the ideological and cultural sources. The trunk represents the basic principles, and the tree top represents the practical principles, or rather the guidelines, in the different branches of activity. In the tree top, the branches represent the different areas of everyday life and the leaves represent the practical guidelines. As in Lessem's model, the soil represents the environment from which the roots are fed.

The roots, like the basic values, are permanent and as long as they keep their hold in the ground, properly fed by the surrounding soil, they provide for the rest of the tree. The trunk represents the basic principles which are the body of the movement's vision. As long as the trunk exists the movement keeps its identity. Cut the trunk or change its character and the whole entity is changed. It may adhere to the same basic values but with different interpretation. The treetop may change, but as long as it is fed by the roots, through the trunk, the tree (the collective commune in this case) is still the same. Sometimes branches are broken and new branches grow. This is the adaptation of the community to a new reality and new environment.

This research concentrates on two main branches - Management and Organisation. Figure 4 - 2 demonstrates a model of the Kibbutz in the relevant areas and demonstrates the position of the basic values, the main principles, and the guidelines in the model. The

hypotheses address some changes in the Kibbutz and the case studies will show, for each change, how deep down are its origins. It is safe to assume that a change process which is originated at the tree top is less radical than a change process originated in the trunk. A process of change which is originated in the roots represents a radical change in the organisation which involves detachment of the Kibbutz from its original roots. A detailed item by item review of the model is brought in chapter 11.1 in discussing the organisation and management in the Kibbutz and in the discussion and interpretation of the research in chapter 14.

The importance of this model is that it may be discovered, through the case studies, that a change hypothesised is originated in the roots. This may lead to the conclusion that the present-day Kibbutz has detached itself from some of its roots. The idea of 'a new Kibbutz' has been mentioned before (Harel, 1993). However, it was looked at from a different angle through the present crisis of the Kibbutz movement.

### 4.6 Summary

The description and history of the Kibbutz movement and the brief discussion of the individual Kibbutz conclude the introductory part of the thesis. This part introduced the problem addressed, the scientific way of approaching the problem and the organisation to be researched.

The next part begins the deeper discussion of the research subject by introducing the roots of the Kibbutz. The roots of the Kibbutz are described, in the next part in two chapters. Chapter 5 is dedicated to the Kibbutz cultural roots and chapter 6 describes its ideological roots.

## PART 2 - CULTURAL AND IDEOLOGICAL ROOTS

After part 1 prepared the general information needed in order to understand the problem and the ways to address the problem, part 2 addresses the environment of the researched organisation - its roots.

### 5. Cultural Roots - Judaism

Most theories of organisations and management, which will be described in the theoretical part, are subject to the social phenomena which we define as culture. Culture, as it is stated in chapter 9, emerges from the organisation's history and background. The history of an organisation is, therefore, essential for understanding its culture and cultural derivatives.

In order to understand the Kibbutz phenomenon, the background and history of its founders should be reviewed in addition to the history of the Kibbutz itself. The Kibbutz principles and basic values stated in the previous chapter have grown from the culture and ideology which are described in the next two chapters. Since the Kibbutz movement is basically a Jewish, Zionist, Socialist movement, it is important to elaborate on Judaism as the spiritual, and socialism as the economical and political roots of the Kibbutz. The historical chapter may seem a little out of context; however, I will refer to it later, when discussing the Kibbutz culture and cultural roots.

#### 5.1 Definition of Judaism

I chose to begin the discussion of Jewish history and culture with some kind of definition of Judaism. The definition of Judaism discussed here is the broadest possible. Any attempt to narrow the definition might involve a theological discussion which is beyond the scope of this work.

Trying to define Judaism is like trying to bring water from the well without wetting the bucket. It is probably impossible to arrive at a definition which is acceptable to all streams of Judaism. In Israel the answer to the question "who is Jewish" has serious legal and political implications. It is considered one of the most sensitive problems in Israeli

politics and there is a strong tendency of politicians and public figures to avoid any thorough discussion of this issue. I will try, however, to bring several points of view of this delicate issue.

### 5.1.1 Ethnic Religion

The Encyclopaedia Britannica defines Judaism as follows: "Judaism, the religion of the Jews, is the complex expression of a religious and ethnic community, a way of life as well as a set of beliefs and values which is discerned by patterns of action, social order and culture as well as religious statements and concepts". From the Biblical period until now Jewishness meant belonging to the people of Israel. The definition is, therefore, both religious and ethnic. Throughout the generations the 'originality' of the people of Israel was impaired to a certain extent by outsiders who joined it. However, apart from the Khazar Kingdom (see below) the Jewish religion did not attract many followers among the non-Jews (it should also be noted that proselytising is not encouraged by the Jewish religion).

### 5.1.2 Historical Continuity

4,500 years of Jewish history are characterised by continuity and adaptability. The Jews have maintained an unbroken line of ethnic and religious heritage, although much was absorbed from the surrounding cultures. Jewish heritage is, therefore, a combination of a basic tradition with elements adopted from the environment during the years of existence as a people without a homeland among other cultures (Englander, 1992).

### 5.1.3 Monotheism and Law

Judaism is a monotheistic religion from its inception. It is also very practical. Thought and belief are secondary to action. The action - the deed - is what counts. It is believed that the law is God-given. There is a hierarchy of rules which regulate daily life, relationships between people and family life. The basic law is concise and clear - the Ten Commandments - to which 613 behavioural rules (Mitzvot) of prescriptions and proscriptions are added. The Talmud - the religious legal literature created in the

Diaspora - contains interpretations and disputes of these rules which by now cover every aspect of life (Neusner 1992).

### 5.1.4 Buber's Definition

An interesting modern approach to the definition of Judaism is that of the German Jewish philosopher Martin Buber. Martin Buber is considered by Christian philosophers and theologians as one of the most important interpreters of Judaism and the one who opened Jewish cultural treasures to the non-Jewish world. Buber was not a member of any known religious or social stream. He was a non-conformist in nearly all areas of life. He was considered a "religious anarchist" and managed to raise political antagonism even in the socialist movement. Buber's global socio-religious approach brought him closer to the Christian socio-religious stream and somewhat isolated him from the Zionist movement to which he formally belonged. Buber was also highly involved with the Kibbutz movement and at a certain point in his life even considered joining the movement as a member of a Kibbutz community (information obtained from various Kibbutz members).

Buber's approach to Judaism is not based on a narrow religious outlook. It is broad enough to include both the extreme religious and non-religious movements, Zionist and non-Zionist, in Israel as well as outside Israel. It is, however, sufficiently refined to exclude all other movements which aim at settling in the Holy Land, but are not of Jewish origin. On the definition of Judaism Buber commented: "I believe that Judaism is something which can not be dogmatically defined". Buber bases his attitude toward Judaism and toward being a Jew on the Dialogic approach to the world. This philosophic inclination has led some philosophers, like J.P. Sartre, to existentialism and later to atheistic nihilism. Buber, however, kept away from atheism by not limiting the "I - Thou" inclination of the dialogic approach to the physical world. The Buberian "I - Thou" is spread towards the eternal "Thou". For Buber divinity is the eternal Thou. The reciprocity between God and the human being cannot be proved, the same way that the existence of God cannot be proved. The dialogic approach is the basis for all the Jewish culture (Buber 1923).

The Bible describes God as a talking God. Even in the more modern New Testament: "In the beginning was the word, and the word was with God" (John,1,1.). Buber, the German Jewish philosopher who was not conventionally religious, saw Judaism as the embodiment of religious values. At the same time he opposed the traditional 'law-abiding' Judaism. Buber preached against rules dictated by reason, claiming that rational law diverts the believer from the direct approach to God.

Buber's approach to the issue of "the chosen people" relies on Exodus, 4,22 which reads "Israel my first-born son" and Buber adds: "by no means my only son". This approach suits the non-religious modern approach to Judaism, which has some difficulty with accusations of racism based on the "chosen people" issue. Jewish culture is not only ideology, self- identification or language and literature culture. It is also an inner spiritual existence. It is culture, not civilisation.

On Zionism Buber says: "Zionism is not a political matter. It is a matter of life concept. Zionism is the by-product of Jewish culture attendance". In the Kibbutz movement he is considered by many as the philosopher closest to the Kibbutz idea and the Kibbutz movement. Perceiving the Kibbutz as a Jewish-Zionist creation, Buber combines Jewish religion with its social heritage.

According to Buber Israeli society is symbolised by the Mountain and the Valley. The mountain is Mount Scopus, the site of the Hebrew University, as the symbol of intellect and learning. The Valley is the Yezre'el Valley, home of many Kibbutzim and, for Buber, the symbol of the Kibbutz movement. Buber spent much of his time trying to connect the Mountain and the Valley.

### 5.1.5 Metaphysical (cultural) Definition

An interesting definition is given by the Israeli contemporary writer Yoram Keniuk in his book "David's Love". The definition is announced in the story by a Russian Jewish Zionist who says that "the Jews are not a religion, nor a nation, not even a group of people with common history, but rather something metaphysical, eternal, a connection of

generations based on ancient tribal connection, fortified in modern equations and not completely understood to itself" (my translation from Keniuk, 1989).

### 5.1.6 Summarised Definition of Judaism

To summarise the above discussion, Judaism is an embodiment of basic (Jewish) religious values, inner spiritual culture and ideology, and identification with an ethnic community.

## 5.2 Brief History of Judaism

I have already argued that history is one of the forming powers of culture. The significance of the history of the Jewish people is relevant only in its cultural aspect. Jewish history is therefore reviewed here very briefly, in order to shed some light on the cultural and philosophical roots, as well as the historical background and time frame of the Jewish social movements in general and the Kibbutz movement in particular. There is no intention to cover Jewish history in depth.

The sources of information for this chapter are the Encyclopaedia Britannica, the Encyclopaedia Judaica, the historical sources in several books of history (Hendel, 1954; Englander, 1992; Duvshani, 1964, and Neusner, 1992). I did not relate each historical fact to a specific source, since most of the historical facts appear in all sources. I did refer to a specific source when it elaborated and explained a situation beyond the dry facts.

### 5.2.1 The Biblical Period

There is no established historical evidence for the early period of the Jewish people besides the Bible. This makes the Bible the main historical document of the Jewish people. The Jewish people in Israel and all over the world look at the Bible, among other things, as a historical and geographical document. Archaeological research supporting the Biblical history is part of the Israeli culture and there are some significant findings which indeed support the Biblical story.

#### 5.2.1.1 From A Family to a Nation

The early history of the Jewish people as described in the Bible, is a family history. The 'family network' remained an important issue throughout the history of the Jewish people up to the present. Family connections have played an important role in Jewish commerce in the 10th and 11th centuries and even in the 20th century the role of the family is reflected in 'family business' like the Rothschild bank, Marks and Spencer, Tesco and other modern businesses (Kotkin, 1992).

The founder of the Jewish nation is Abraham. According to the Bible he was born in the Chaldean city of Ur (in the southern part of today's Iraq) in the 18th century BC. Abraham's father, Terah, moved with his family to the Mesopotamian town of Haran (Aharoni, 1974, also in the Bible, Genesis, 12:32). In Haran God revealed himself to Abraham for the first time and promised "I will make you into a great nation" and promised him and his offspring the land of Canaan (Genesis 12:1-8). This God was very different from the Gods of the surrounding people. Although he spoke to Abraham he was invisible, shapeless, and to a great extent totally abstract. Abraham migrated to Canaan, the region of the Middle East which is now the state of Israel, and stayed there as a nomad shepherd and sheep-farmer. He prospered and his family grew and expanded into a large clan. Jacob, Abraham's grandson, led the whole clan to Egypt for food during a seven years' drought. According to the Bible the clan settled in Egypt in the province of Goshen and later were made slaves by the Egyptian Pharaohs. Several generations later (the Bible quotes the time of exactly four hundred and thirty years to the day) the Hebrews (so they were called then), weary of oppression and slavery, got organised under the leadership of Moses and fled from Egypt to the desert (around 1,400 BC according to Aharoni, 1974).

Forty years of life in the desert were used by Moses to establish hierarchy, together with delegation of authority for making out justice among the people (Exodus 18:17) and it is then and there that the first 'God-given' laws were imposed on the Jewish people (see chapter 6.2).

### 5.2.1.2 The Promised Land

After forty years in the Sinai desert the Hebrews came to the land of Canaan and conquered it (it is interesting to note that the first town conquered by the Hebrews in their conquest of Canaan was the same Jericho which is the first town to be granted autonomy in the peace negotiations between the Israelis and the Palestinians). The first period of the Hebrews as free people on their own land was the period of the Judges. In this period there arose some needs which could not be satisfied by the tribal structure, mainly security needs. The Hebrews were organised in a tribal structure, within a larger, federation-like structure. This federation became active usually when a common enemy appeared. Then some of the tribes, seldom all of them, joined forces and fought the common enemy. It was believed that the leader was chosen by God, for the purpose of solving the specific problem at hand. When the crisis was over the leader would go back to his family and tribe (Judges, ch. 3, 4, 7 and 8).

### 5.2.1.3 The Kingdom

When the loose federation of tribes became less effective in dealing with its external and internal problems (tribal conflicts/rivalries, defence against aggression by neighbouring or even remote nations/states) a centralised powerful administration in the form of a monarchy, under the leadership of a king "by the grace of God" was seen as the answer to all problems. Saul of the tribe of Benjamin was appointed the first king in 1020 BC. (Aharoni, 1974). He was chosen under divine guidance by the prophet Samuel (as the messenger of God) and also popularly elected after achieving a military victory.

Several decades passed in which Saul lost the kingdom to David and David left it to his son Solomon. The Bible does not elaborate much about the social conditions under any King, but from the information given about the days of Solomon it is clear that taxes were high and that the King spent enormous amounts of money (1 Kings ch. 7, 9 and 11). The prophets, after losing their position of political leadership, became the 'watchdogs' of social justice. The prophets, in the name of God, were the guardians against religious sins and social injustice (2 Samuel, ch.12).

### 5.2.1.4 Loss of Independence

The Kingdom of the Hebrews split in two: the kingdom of Judea (hence the name Jew) comprised only of the tribe of Jehuda which gathered around the royal family, and the northern kingdom of Israel, which comprised the other ten tribes (the Levies were servants of God, did not pay taxes, had no territorial residence and were not part of the rebellion). The Kingdom of Israel was conquered by the Assyrian Legions of Shalmaneser (2 Kings ch.17) in the 6th century BC. and the population exiled. The Northern Kingdom, later also known as 'the lost ten tribes', is never mentioned again in written history and practically disappeared.

The Kingdom of Judea was also ruined after being defeated by the Babylonian King Nebuchadnezzar. Most of its population was dispersed and exiled, the Temple burnt down and Jerusalem was destroyed after a two-and-a-half years siege (2 Kings ch.25). The Jewish people entered the first period of the Diaspora.

### 5.2.1.5 Non Independent State

One of the greatest strengths of the Jewish religion is its relative independence of external ritual and ceremony. Judaism, even in those days, was not only a religion per se, but a way of life. Hence, it required neither territory (i.e. an independent State) nor dedicated places of worship in order to be practised and survive.

This was the main reason that the Jews kept their unique way of life as well as their culture and family ties during the Babylonian captivity and later. There were several attempts to revive the Jewish state, the latest ended in the 1st century with the revolt against the Romans. The revolt was crushed by Titus in 70AD. Another revolt was crushed by Hadrian in 132AD. This episode left the Jewish community in Judea so devastated that culturally and organisationally it was insignificant for centuries.

It is interesting to comment that in the midst of all this different opinion developed regarding the proper interpretation of the Jewish laws. These differences created several new religious streams such as the Pharisees, the Essenes and a small group which later

on evolved to be an entirely new and powerful religion - the Christians (Englander, 1992).

### 5.2.2 The Diaspora

It seems that the Kibbutz culture is tied to the ancient culture of Israel. The two millennia of the Diaspora seem to be ignored. A more careful look, however, reveals that these two thousand years did leave a significant impression, especially from the community organisation aspect.

#### 5.2.2.1 A Homeless Nation

With no political entity and no central place for religious worship, the Jews became a society of a number of communities, based on religious law (the law of the Halakha). Religious ceremonies were replaced by prayers and studies. The Temple was replaced by local synagogues which served as a place for praying. Present life held no national politics. Any national feelings became a hope for the future only.

The Jewish people were not physically destroyed, but their existence as a nation with an independent fighting force was over. A radical cultural change was brought by the scholars (the Rabbis) of the communities. Feeling that the physical existence of the Jews was in danger, the Rabbis declared all type of fighting and physical rebellion absolutely forbidden. The Jews were ordered to protect their physical existence and fight or resist only if forced to commit one of three cardinal sins: murder, idolatry and incest.

#### 5.2.2.2 The Zionist Movement

The term Zionism is derived from "Zion" which became a synonym to Jerusalem after the destruction of the second temple. Zion is mentioned in the Bible (Psalm 137:1) - "By the rivers of Babylon, There we set down, yea, we wept, When we remembered Zion". Later the term 'Zionism' became synonymous with the desire of Jews to settle in Israel. In order not to get into the political argument of what is Zionism and who is a Zionist I confined myself to a simple definition which sees any positive affinity to settle in Israel and make it an independent Jewish state as Zionism. Zionism, in its essence, is a revolutionary idea. It

is not just a Jewish movement to return to the promised land. It is a radical change in the basics of life, in the social and economical structure and culture. Without this revolution Zionism was nothing but another Diaspora in Palestine (Even Shoshan, 1963).

The Zionist movement is rooted in the desire of the Jewish people to return to their homeland in Israel. The modern Zionist movement is older than its name. The name Zionism was coined in 1890 by a Jewish activist, Nathan Birnboum, as a name for a movement which aimed to establish an independent Jewish state in Palestine.

Three people deserve, more than others, the title of forerunners of Zionism. Rabbi Jehuda Alakalai (1798 - 1878), Rabbi Zvi Hirsch Kalischer (1795-1974) and Mosses Hess (1812 - 1875). These three also mark the connection between the religious, Messianic approach to the return of the Jews to the promised land and the modern practical and political non-religious Zionism.

Rabbi Jehuda Alakalai came from a little Sephardic community near Belgrade. He was involved in a persistent action of combining the efforts of several Jewish figures to save the Jews of Damascus from a false murder accusation. The success of his efforts caused Alaklai to adopt the idea that the Messianic movement should be active and not wait for miracles.

Kalisher, a German rabbinical scholar of Polish origin, explained the emancipation of French and German Jews under Napoleon in traditional Jewish terms. The emancipation was, for Kalisher, the beginning of the Biblical prophesy of liberation and a sign for the days of the Messiah and termination of exile. Kalisher also thought that some action should be taken to enhance the liberation. He tried to convince rich Jews like Rothschild and Montefiore to buy the area of Palestine, or at least parts of it, from the Turks in order to settle in Palestine (Judaica, Zionism).

The approach of Kalisher and Alkalai to the revival of the Jewish State was a new interpretation of the Jewish Messianic tradition. Both of them did not perceive Zionism

as a cure to anti semitism. They were both active between 1840 and 1870 when Jews flourished in Germany and France and anti semitism was at its lowest. At the same time there was a Jewish movement in Germany and Hungary which advocated the abolishment of any Jewish nationalism. This movement called for cultural and national assimilation and the removal of all references of Zion and Jerusalem from the prayer books. Zionism as a cure to the physical danger of the Jewish people came only in the late 1870's and 1880's with Mosses Hess.

Moses Hess, a non religious German Jewish social revolutionary and a philosopher, was worried that the Jewish national spirit, which was embodied in the Jewish religious institutions, was fading and disintegrating. The only suitable solution to rescue the Jewish spirit, according to Hess, was to reconstruct national Jewish life. Hess was deeply influenced by the general trend of nationalism in Europe in the middle of the 19th century. Terms like "national renaissance" and nationality were widely used by Hess and his mass "Rome and Jerusalem" was written under the influence of the unification of Italy in 1859.

The Zionist movement lagged behind the nationalistic movements of western Europe but was strongly influenced by them. Jewish Nationalism was expressed, among other things by the revival of the Hebrew language which was, until then, used only in prayers and in some religious circles even forbidden for normal use (Judaica, value Zionism).

The beginning of the practical Zionism was the founding of the "Bilu" society (Hebrew abbreviations for "Lets Go to the House of Jacob - meaning Israel) with the charter of settling in Israel on granted or purchased land and creating a class of Jewish farmers and artisans. At the end of 1881 there were about 30 societies for settlement in Israel in Romania alone. In September 1882 Leon Pinsker published his assay 'Auto emancipation' which provided a systematic ideological basis for the movement. In July 1882 the first settlers of the Bilu society (a group of 14 youths) went to Israel. The first Bilu immigration signals the beginning of the 1st immigration wave. All together the Bilu society brought some 25,000 young Jews to Israel to fulfil pioneering Zionism.

In the meantime in Russia, Besides the minority who left to Palestine and the majority who left to the western world (mainly the USA) there were those who stayed and became central members of revolutionary movements. (Encyclopaedia Britannica). Towards the end of the 19th century the Jewish population was divided between several ideological groups. The religious section opposed both non religious groups. They opposed the Bundists (Jewish socialist party chapter 6.1) for their atheism and the Zionists for trying to push the revival of the Jewish state. The extreme religious groups claimed that only God himself can decide on the revival of the Jewish state (some of the ultra orthodox Jewish streams still do not fully recognise the state of Israel and see themselves as Jews in Zionist occupied Israel). But conflict did not remain on the religious level. The Bundists saw Zionism not only as a Utopian movement but rather as an obstacle to the creation of classless society which will include the Jewish proletariat. The Zionists, on the other hand, claimed that the Bundists simply do not recognise the severity of anti semitism and that the unity of the working class is a myth. In the midst of the "Jewish argument" the first world war broke and created a situation not anticipated by any of the parties. This situation resulted in the coming to power of the revolutionary group of the Bolsheviks.

At the same time in western Europe the Jews responded to emancipation as an economic and social opportunity. Self segregation was lifted and there was a tendency of blending with the host society and even assimilation. The "haskala" (enlightenment) movement and the reform movement were formed and efforts were made to 'modernise' Judaism. Towards the middle of the 19th century, however, nationalist trends emerged from the Jewish intellectual circles. A member of the 'Haskala' movement, Peretz Smolenskin, used his journalist influence to promote Jewish nationalism as a solution to anti semitism. In 1894 a Jewish French officer, Alfred Dreyfus was accused of selling state secrets to the Germans. Dreyfus was tried and sent to jail. In 1906 after a long campaign of French intellectuals (among them Emil Zola) the matter was rechecked and Dreyfus was cleared. The Dreyfus' affair brought a wave of anti semitism in France. Theodore Herzl, a Jewish journalist, non Zionist until then, from Vienna wrote an assay named 'The State of the Jews' subtitled 'A Modern Solution to the Jewish Question'. Herzl, unlike most other

Zionist visionaries, set in his book and later in other writings a political and economic programme for the establishment of the Jewish state and its administrative structure. Born in Budapest in 1860 with a non- religious education and German culture Herzl's favoured a capitalistic structure with welfare law. With his charismatic personality Herzl managed to attract many followers among the Zionist socialists. Herzl is considered to be the visionary of the Jewish state and the founder of the practical and political Zionism. He was the founder of 'The Zionist Congress' which had its first meeting in Basel in 1897 and by doing this paved the way to an independent Jewish state As he wrote in his memoirs "In Basel I founded the state of the Jews". The first Zionist Congress in August 1897 was the climax of a process which started in 1850-1860 of a change from the primal religious desire to return to the long gone homeland to the rational stage of a political movement with the formal purpose and functional organisation.

The 1st Zionist Congress was called by Herzl in 1897. This was the beginning of the political Zionism which called for the political revival of the Jewish people as a political entity with its own state, language and culture, politically and nationally independent. The 1st Zionist Congress adopted the "Basel Programme" which stated that the Zionist movement aspires to establish a national home in Israel for the Jewish people using the following means:

* By developing the area of Israel through settling Jewish agricultural workers and other physical workers.
* By organising all Jewry to local and general operation.
* By the enhancement of the national Jewish feelings and identification.
* By preparing to achieve the relevant government concept of fulfilling the Zionist ultimate purpose.

The Zionist movement appealed mainly to middle class Jews. In 1906 a socialist Zionist movement was officially formed and with it a massive wave of immigration to Palestine. Between 1881 to 1914 some 50,000 Jews, most of them young socialist, left tzarist Russia and went to work in Palestine. This emigration wave is most significant in the development of the future Jewish state and the Kibbutz movement in particular.

### 5.2.3 The State of Israel

The state of Israel, which declared its independence in 1948, is a product of the Zionist movement. An ideological movement which created a community which, in turn, created a state. The establishment of the State of Israel is a turning point of three historical aspects: the history of the Jewish people, the history of the Palestine territory and the history of the connection between the two (Lisak and Horovitz, 1989).

The problems of a nation with no political centre and no territory, which as a minority in all its centres faced physical and cultural oppression, led to the search for a solution to what was termed in the 19th century as "the Jewish problem". Zionism was one of several alternatives alongside assimilation, cultural autonomy, and territorialism out of Israel. The destruction of European Jewry in WW II contributed to the perception of the Zionist solution as a realistic one for the safety of the existence of the Jewish people. The official declaration of Independence in May 14.1948 is the end of a process, which started by the Zionist movement more than fifty years earlier, of transforming a stateless community to an independent state.

Palestine, before 1948, was a 'state with no nation' with 'two nations with no state' in it. At least one of the two nations (the Jewish one) had legally recognised autonomous establishment. Both communities maintained strong affinity to entities beyond the borders of the state. In November 29th 1947 the United Nations decided on the division of Palestine between its Arab and Jewish inhabitants. In May 14th 1948 the Jewish National Political centre, which was formed during the thirty years of British Mandate over Palestine, took full responsibility for the Jewish community in Palestine and declared the Independent State of Israel. The next day the Arabs, who refused to agree to the United Nations decision, started a war later known in the history of the Israel as 'the war of independence'. The result of this war formed the borders of the State of Israel. The declaration of independence and the war of independence were not a radical turning point in the history of the Jewish community in Israel but rather a climax of a process of forming a political and national centre for the Jewish settlers in Israel and in the whole world.

The Jewish community in Palestine was a community of immigrants, from different counties of origin, which tried to form a new and different collective identity. The dominant group was that of the Eastern Europeans which broke the orthodox religious tradition and immigrated to Israel to form a new secular society. The common denominator of all the Jewish groups was the Zionist ideology which can be summarised in the desire to establish an autonomous Jewish centre through Jewish immigration to Palestine and the formation of a unique cultural and political community. The political movements were differentiated according to the "tone" of their Zionist ideology with the main conflict between the Zionist Labour Party and the right wing Revisionist Zionist Movement. The Socialist Labour Party envisioned a Constructive Socialism using national assets and national capital. No class Conflict was expected by either Zionist streams in the future state. The rightist Revisionist party agreed, in principle, to a Socio-economic pluralist community with strong public sector. The argument, therefore, narrowed down to the relative sizes of the public sector and the private sector. The assumption that the structure of the economy will have a significant influence on the society in the future state was represented, as well, in conflicts within the Labour Movement and caused the establishment and strengthening of socio-political movements like the Kibbutz movement.

In November 29th, 1947 the United Nations decided to end the British Mandate over Palestine no later then August 1st 1948. The United Nations plan included two states, Jewish and Arab, with combined economies. Jerusalem, the supposedly capital of both, was planned to have international rule. Both states were supposed to be democratic with constitution and general election by secret ballot. Both states were to be based on elements of liberty and individual freedom.

### 5.2.4 Jewish Population

Before the destruction of the First temple (586 BC.) and after the exile and disappearance of the northern Kingdom of Israel, most of the world Jewish population was concentrated in the Kingdom of Judea. The population is estimated to have been around 150,000 with small Jewish communities in Egypt and Babylon. Some 2,000 years

later, at the beginning of the 14th century BC, world Jewish population numbered just below one million. About half of the Jewish population lived in the Islamic Middle East. Most of the other half lived in Western and Central Europe. A negligible number (estimated at 5,000) lived in Eastern Europe. Five centuries later, in the 19th century, the world Jewish population was around three millions with over 80% in Europe. The Jewish population in the Middle East was unchanged and remained at about 500,000. The East European Jewish population was responsible for most of the growth and reached one and a half millions. Before WW II World Jewish population was around 18 Million. Six Million Jews were exterminated in the Holocaust reducing the world Jewish population to 12 Millions. The largest Jewish centre, about six Million people, is in the USA. Close to five Million Jews live in Israel. The Jewish community in the former Soviet Union is estimated to be just over one million, after close to one millions left to Israel and to the USA during the late 1980's. Close to one million live in West European countries (Englander, 1992 and Israel Bureau of Statistics, 1991).

### 5.2.5 Unique Culture

The most interesting question posed in light of Jewish history after the final destruction of the Biblical Jewish state is "how have the Jews managed to survive as a people through two and a half millennia, without a land or independent political life, often subject to oppression and destruction". The phenomena of the existence of the Jewish people is explained to depend on several facts, some of which are relevant to this work:

* The Jewish people is, practically, a classless society. Even in the Kingdom period, spiritual leaders (prophet in the ancient times and Rabbis in the pre modern times) could emerge from any part of the community.
* The Jews, through all their history always had a set of values which contributed to the survival of the community. The Jewish people always put scholars and spiritual leaders as part of the community's leadership.

* The Jewish formation of culture always looked at people who could teach and instruct as the guardians of the community. These scholars contributed to the development of

self governing community which managed to gain voluntary compliance with its rules and judgement.

* During the generations highly organised communities developed with high level of mutual (unconditional) responsibility for welfare and education. The weak - widow orphan and sick - became the responsibility of the community and was taken care of by the community. It was considered a sin to refuse to help as well as to refuse to get help in need.

* The value placed by the Jews on learning was in contrast to the environment, especially in pre-modern times when education was considered an unnecessary luxury. The Jews valued scholars no less and in many cases more than those economically successful.
* The value of the family with the clear definition of the roles of the two sexes and the religious force to respect and honour the woman.

There may be some truth with the philosopher Jean Paul Sartre who claimed that the Jews remained Jews because they were reminded of their Judaism all the time by the anti Semites. However, against this claim there is the fact that in periods in which anti semitism was quiet the Jewish communities prospered and did not show any sign of weakness.

### 5.2.6 Chronology

**Chronology of Main Events in Jewish History**

| Figures/events of significance: | From: | To: |
|---|---|---|
| Abraham, Earliest form of Monotheism, Migration to Egypt: | 2000BC | 1500BC |
| Moses, Exodus, Covenant of Mosaic, Conquest of Israel by Joshua: | 1500 BC | 1000 BC |
| Macedonian conquest, Hellenism, Maccabees revolt, Autonomy restored, Hasmonean Kingdom, Roman conquest: | 500 BC | 1 BC |
| King Herod, Revolt against Rome, Destruction of 2nd Temple, Massada, Jerusalem and Babylonian Talmud, (Jesus of Nazareth - The beginning of Christianity): | 1 AD | 500 AD |
| Jews expelled from England, Spain, France and Portugal. Migration to Poland. development of Sephardi & Ashkenazi traditions. (Crusaders Kingdom of Jerusalem): | 1100AD | 1500AD |
| Ottoman Empire rules over Jerusalem. Khmelnitskii Massacre. Re-admission to England. Migration to America South & North. Hasidism: | 1500AD | 1800AD |
| Enlightenment, Pale of Settlement, Emancipation in England, Pogroms in Russia, Early Zionism, Dreyfus affair, The Bund, 1st Zionist Congress: | 1800AD | 1900AD |
| Emancipation in Russia, British Mandate in Palestine, Holocaust, State of Israel, Arab-Israeli War, Emigration to Israel (Rise of Arab Nationalism): | 1900AD | 1950AD |
| Six Day War, Yom Kippur War, Camp David Accord, Gulf War: | 1950AD | 1992AD |
| Peace with Jordan and the PLO; Peace talks with Syria: | 1992AD | 1996AD |

**Table 5 - 1**

## 5.3 Summary

The Jewish history, from the foundation of the Jewish religion and the Jewish people to the present, shed some light on the culture of the people who founded the Kibbutz movement. It also had a significant effect on Kibbutz life in the past and the present, as will be described in the chapter on Kibbutz values and principles. But the Kibbutz movement is rooted also in its ideology. This, while not contradicting its culture, comes from another area - the East European Socialism, which is the subject of the next chapter.

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## 6. Ideological Roots - Socialism

This chapter discusses the ideological roots of the Kibbutz movement. It complements the previous chapter which discussed the cultural roots.

The term Socialism which forms the basis of every labour movement in the world was coined in the early 1800s. The modern Socialist ideas go back as far as the French Revolution and even further back to J.J. Rousseau (1712-1778) who wrote in his essay "On the Reasons for Inequality Among Humans" that the main reason for inequality among humans is private property (Plechanov, 1895). From the earliest days of Socialism in western Europe and later in Russia, Jews were part of its development. The hopes raised by the liberal movements of the 19th century did not materialise quickly enough and Jewish intellectuals were hungry for a revolutionary movement which could help them out of the ghetto and away from anti-Semitism. Socialism was international, it promoted the 'brotherhood of men' and most of its ideas were not foreign to Judaism (see chapter 6.2 on Social Legislation in Judaism). For some young Jewish intellectuals Socialism carried the hope of getting rid of their Jewish heritage, a hope which could be fulfilled only in a movement which opposed any kind of nationalism and religion. The idea of social justice also appealed to many young intellectuals, Jewish and non-Jewish alike (Enc. Judaica, 1971).

### 6.1 Socialism - History and Principles

The Kibbutz movement is a natural by-product of the socialist movements of Europe in the 19th century. The history of the main socialist movements in Europe and their principles may help to create a complete picture of the ideological roots of the Kibbutz movement and the soil from which it emerged.

#### 6.1.1 Socialism in France

Modern Socialism had its origins in France. Its forefathers were the Count Henry Claude Rouvroy de St. Simon (1790 - 1825) and Charles Fourier (1772 - 1837). Jews were very much involved in the rising of socialism and many of the followers of St. Simon and Fourier were Jewish. St. Simon considered the emancipation of the Jews as one of the

preconditions for the liberation of humanity, Fourier on the other hand identified the Jews with Capitalism and called them "parasites, merchants and usurers". However, in his later writings Fourier suggested that the Jews should be helped out of persecution and go to Palestine to form their own independent state. In doing so Fourier preceded the early Zionists and in fact recognised the legitimate right for sovereignty of the Jewish people in their ancient land.

### 6.1.2 Socialism in Germany

In Germany Socialism was dominated by Ferdinand Lassalle (1825-1864) and the Jewish-born Protestant Karl Marx (1818-1883) who denied his Jewishness but refused to admit any other religion. Marx was influenced by the writings of the Jewish philosopher Moses Hess, whose study "Die Philosophie der Tat" (the philosophy of action) tied the foundation of communism - the historical materialism - with the ideas of German philosophical schools. While Moses Hess became later one of the forerunners of the modern Zionist movement, Marx's ideas became the basis for the whole socialist movement in Russia and most of the socialist movements in the world. It is essential, therefore, to review some of Marx's ideas.

Marx based his theory on Hegel's writings, but contradicted Hegel's assumption that the modern state is in a tense equilibrium between the individual's tendency toward selfish activities and his activities for the benefit of the community. Marx pointed out that Hegel's assumption does not stand the test of reality. According to Hegel the state has to stand above the interests of the individual. Marx showed that examining the state establishments' activities proves that after "stripping" the modern state of all its pretensions it is just an expression of the selfish interests of civil society (Avinery 1976).

Marx's approach to labour is based on the fact that the human being differs from animals by not using nature as it is. The human being takes from nature and changes it by investing work. Also, humankind's needs are changing through time. This theory identifies 'work' as a unique activity for humankind. However, in order for men to

'create', work has to turn to a primary need. In other words a man has to be free from poverty so that work is not a tool to satisfy another basic need.

Men can be distinguished from animals in producing their own means of subsistence "What individuals are, therefore, coincides with their production, with what they produce and with how they produce it. What individuals are, therefore, depends on the material condition of their production" (Marx and Engels in 'Gesamtausgabe' Volume 1 section 5, pp. 11, in Bottomore, 1956). Materialism in general and production in particular are the essence of civil society in all its stages (also in its action as a State) and the basis of all history starting with the simple material production of new life.

In 'The Capital' (1867) Marx claimed that revolution, not criticism, is the driving force of history, religion, and all other theories. In each stage of history there is the material result of a combination of productive forces which present themselves in relations of individuals to one another and to nature - "A mass of productive forces, capital and circumstances... This sum of productive forces, capital, and social forms of intercourse, which every individual and generation finds in existence... is the real basis of what philosophers have conceived as 'substance' and the 'essence of man' and which they have defied or attacked" (Marx, The Capital, 1867 in Bottomore, 1956).

Revolutionary 'convulsion' is periodical. The condition of life determines whether the revolutionary forces will overthrow the existing order. If the material elements of the revolution (i.e. available productive forces vs. the formation of a revolutionary mass opposing the 'total activity' of society) are not present, the revolution is immaterial as far as development is concerned (Marx, The Capital, 1867 in Bottomore, 1956).

Marx disputed Hegel's theory that the enforcing power of the state is legitimate once the general opinion accepts that it aims at the benefit of the community. Marx claimed that this 'generality' is false and the state force is, actually, a brutal force and is in fact a forcing power. Marx stated that in the constitutional state parties use the state power to advance their own selfish interests. As an example Marx brings the difficulties of the

farmers of the Moselle Valley who suffered from land laws which served the interests of the landlords. The state, Marx pointed out, only claims generality. In fact actions and decisions are never the result of the community's will as the Hegelian philosophy suggests, but the result of interests. Marx concluded that the state, therefore, is not what it appears to be and that, actually, the state belongs to the wealthy.

Hegel identifies bureaucracy as a 'general class'. As such, the bureaucrats do not have any selfish interests and all interests pursued by the bureaucrats are, according to Hegel, identical with the interests of society. Marx disagreed and claimed that bureaucrats, like the constitutional state, only pretend to be a 'general class'. In fact the bureaucrats use the state as a tool to achieve their own private interests. Marx did not agree with Hegel's 'general class' theory. The attribute of 'general class' is given by Marx only to the Proletariat. Marx claimed that in every political revolution one class perceives and aims at the emancipation of the whole society from its own perspective. Therefore no class can do justice to society unless it dissolves in the rest of the society and reaches totally identical interests with society as a whole. Marx's point of view was global and he looked for a general class with world-wide interests. The proletariat, according to Marx, answered this condition. Since proletarians all over the world share the same type of oppression, Marx claimed it to be the 'general class' that can be freed only if the present rules of society are abolished. According to Marx, since the rules and principles forced on the proletariat were made by the other classes who were property owners, abolishing all private property should, therefore, eliminate classes.

Hegel identified the inner conflict in every human being between his own private interests and the interests of society. Abolishing private property should, according to Marx, diminish this conflict and leave man free to look at work as a primary interest. Abolishing states and all political governments will decrease the inner conflict of interests to the minimum.

While Marx was the theoretician and aimed at global revolution, Lassalle was the political strategist of the communist movement. It was Lassalle who brought Socialism

into German politics. Both Marx and Lassalle did not hide their hostility for Judaism. They both identified Judaism with capitalism, though Friedrich Engels, Marx's associate, expressed his opposition to anti-Semitism very clearly.

In 1864 Marx and Engels formed the "International Working Men's Association" known as 'The 1st International' which had many Jewish activists. The Russian section of The 1st International was established by Nicolai Utin, the son of a rich Jewish contractor from Russia who fled to Germany after serving as a liaison officer for the Polish revolutionaries in 1864. The Socialist movement in Russia, which is the main ideological source of the founding members of the Kibbutz movement, developed in the second half of the 19th century, years after the establishment of the West European socialist movements.

### 6.1.3 Socialism in Russia

In March 1881 Tzar Alexander II of Russia was assassinated by members of the revolutionary 'People's Will Party' (Narodnia Volia). A significant proportion of the members of this group were Jewish. The assassination gave the signal for a series of pogroms and official anti-Jewish measures. The purpose of anti Jewish laws was best expressed in 1881 by Konstantin Pobedonostsev, chief advisor to Tzar Alexander III: one third of the Jews will die, one third will convert and one third will emigrate. Indeed, until 1914 more than two million Jews left Russia, most of them for the USA.

Violence and repression led many young Jewish intellectuals who remained in Russia to radicalism. The Russian universities of the 1860s and 1870s were fertile soil for the growth of all sorts of political philosophies. Frustrated by the present political system, Jewish activists promoted a total reform of all existing conditions. The Jewish activists split into the Jewish Marxist group and the Zionist group. In 1897 the Jewish Marxist party, the "Bund" was established. In 1901 it adopted the name of "General Workers' Union in Lithuania, Poland and Russia". By 1905 the Bund had 30,000 members and many more followers, larger than any non-Jewish socialist party. The Bund programme called for integration within the socialist movement. Besides the demand for equal rights

it also asked for the rights and the means of cultural expression. One of the main elements of this was the cultivation of the Yiddish language, literature, and theatre. The Bund's main activity was among the Jews in the Pale (Segregated area) in organising strikes and demonstrations. Its most radical activity was after the pogrom in Kishinev when it formed a kind of a defence force (Englander, 1992).

### 6.2 Social Justice and socialist trends in Judaism

The importance of this section is in demonstrating that most socialist principles are no strangers to the Jewish religion and that Jewish tradition can be and is receptive to socialist principles. There is some contradiction between Jewish tradition and the 'non-nationalistic' Marxism, and this indeed was a point of argument within Jewish socialist streams. However, it is important to show that there is a meeting point between the Kibbutz's cultural roots and its ideological roots.

#### 6.2.1 Social Legislation

The earliest time any kind of social legislation can be identified in Jewish history is the time of liberation from Egypt (the book of Exodus). At that time, when religious law was imposed by God, laws of social nature were introduced as well. Two areas were dealt with in particular, slavery and the attitude towards the poor. Perpetual slavery of Hebrews was abolished by the Sabbatical year law, which sets free all Hebrew slaves every seventh year. The death penalty was stipulated by the Biblical law for kidnapping people for slavery. Laws imposing humane behaviour towards the slave were enacted, together with laws defending the slave. Exodus ch. 21 lists a number of laws concerning the Hebrew slave. The basis for social morals, solidarity with the poor and helpless, and help for the needy was planted then.

Both religious and social laws are mentioned in the book of Exodus. These laws, in the form of the Ten Commandments were presented as a covenant (the Sinai Covenant) between God and the Jews and served as a constitution - a basic set of laws. Although the covenant set down conditions and terms for both sides, it was a rather one-sided

covenant in which God dictated the terms of the covenant (Exodus ch.34, 27-28) and the Hebrews had the privilege of choosing between accepting the terms or be punished.

### 6.2.1.1 The Ten Commandments

The 'Ten Commandments', the most important code of law in Jewish tradition (Exodus ch. 20:1 - 17), contains three commandments which are specific to the people of Israel and to Judaism. These first three commandments have to do with monotheism and the attitude to divinity. Two commandments are of social value: one establishes the "Sabbath" as a compulsory resting day and the other dictates honour and respect for one's parents. The other five commandments can be perceived as the basic code of ethics for every normal society, forbidding stealing, killing, adultery and establishing other types of limitations, which today are widely accepted in all societies and communities. The covenant does not differentiate between its religious part and its social part.

The "Sabbath" law of a resting day was not unique for the Hebrews and is known to have been practised by the Babylonians and the Assyrians as well. The laws of the Hebrew slave (Exodus 21) may seem today to be somewhat on the materialistic side, as is the approach towards women. But in their time they were innovative and daring. The fact that these laws come right after the Ten Commandments tells us of their importance in the eyes of the Bible writer - be it divine or human.

### 6.2.1.2 Limiting Slavery

Jewish religious law did not abolish slavery completely. In Israel and Mesopotamia this should have been too radical change, since slavery was both part of the culture and of the economy. The law tried, therefore, to minimise the cruelty in slavery. To guard the slave's life, well being and dignity and to give him a second chance for free life. Slavery in Israel and Mesopotamia was, mainly, the domestic type. The slave became part of the household and was, therefore, considered human and in most cases even treated like one. The change in the 'new law' was, therefore, not so radical and was acceptable by society (Biran, 1992).

### 6.2.1.3 Tithe and Taxes

The Tithe law has a social side as well as an administrative side. Deuteronomy Chapter 14 details the contributions expected from landlords both to the 'administration' i.e. the Levites and the Temple, and for welfare purposes. As in some of the other laws, the Tithe mixes religious law with social law. The Tithe law is, in fact, the beginning of a tax system for supporting the 'public service'. The tax is progressive and is quoted as a percentage of the crops. Tax is expected from land and livestock owners only. The contribution/tax totals twenty percent of all crops from the land and the livestock. It has to be born in mind that land and livestock were almost the only property and production resource. Taxing all crops and only the crops makes the tax a progressive tax. It is a percentage of the 'income' and is paid only by the rich.

Some other social laws related to the land are the leftovers law ("leket, sicheha and pea") which mean the gleaning of the harvest, the forgotten crops and the very edge of the field (Leviticus ch.19 9). All these should be left for the poor. In every harvest there should be some leftover for the poor. The field is not to be completely harvested. The sides of the field are left for the poor, so should happen to the crops falling to the ground and to the part of the field which was forgotten. The farmer should not go back and harvest the forgotten field, it should be left for the poor who are free to come and collect.

### 6.2.1.4 The Fallow

Every seventh year is a Fallow - a sabbatical year. There are well known agricultural reasons for the Fallow year. However, it's social aspect shouldn't be ignored. The land is not cultivated in the seventh year and any use of a 'sabbatical crops' is prohibited. The crops are free for the poor (Deuteronomy ch. 15 and Leviticus ch. 25).

There is a socialist tendency of the Bible to 'redistribute' the wealth of the country and to push towards a wider economical equality. This is, probably, the reason that the sabbatical year law is expanded to include loans thus giving the Fallow year also a financial aspect of social justice. In the Fallow year the lender has to give up the debt. The logic behind this law is that the people of Israel were going to be farmers and money

was needed mainly in order to invest in the land until the next year's crops are harvested. A loan would have been a short term loan against next year's crop. The law protects the poor farmer from severe consequences of a bad year, or even several consecutive bad years. The lender, assumed to be the richer farmer, has to pay for the economical collapse of the poor in order to minimise the chances of the poor to become a slave (instead of paying the loan). The purpose of this law is, therefore, to help the poor farmer and protect his freedom in case of a drought.

### 6.3 Socialism and Zionism

The Zionist element in the Jewish political philosophy was also of a socialist nature. The idea of Zionism was formulated by Leon Pinsker, a Jewish scholar (a graduate of Medicine at the University of Moscow) and a veteran of the Crimean war with a service decoration. The pogroms of the 1880s convinced Pinsker that anti-Semitism is inevitable as long as the Jews do not have a land of their own. In a pamphlet Pinsker distributed in 1882 titled "Auto-emancipation" he expressed his views "...The remedy [to the problem of the Jews] would be the creation of a Jewish nationality, a people living on its own soil...". In his nationalistic (Zionist) attitude Pinsker differed from Marx, who opposed any kind of nationalism.

Besides the minority of the Jews who left Russia for Palestine and the majority who left for the western world (mainly the USA), there were those who stayed in Russia. One group formed the "Jewish People's Party" (1906) which aimed to get Jewish cultural autonomy within a liberalised and socialist Russia. Some members of this party became prominent leaders in the "Constitutional Democratic Party" which held the majority of the 1st and 2nd Duma - the quasi-parliament formed in the wake of the Russian revolution of 1905.

Back in Russia, subject to three waves of pogroms (1881 to 1884, 1903 to 1906 and 1917 to 1921), many of the Russian Jewish population fled to other countries. The others shared the new socialist ideas and were driven to radicalism. However, while some thought that anti-Semitism is not a geographical matter and aspired to establish an independent political Jewish entity, others joined the non-Jewish movements and sought

to find a solution in a new social and political order in Russia. The Zionists claimed that non-Zionists like Martov, Trotsky and Rosa Luxemburg, though being right about their views of social justice, simply did not understand the nature of anti-Semitism and failed to see its danger. This argument is very well defined in the words of Lenin:

"Whoever, directly or indirectly, puts forward the slogan of a Jewish 'national culture' is (whatever his good intentions may be) an enemy of the proletariat, a supporter of the old and the caste position of the Jews, an accomplice of the rabbis and the bourgeoisie. On the other hand, those Jewish Marxists who join international Marxist organisations, together with the Russian, Lithuanian, Ukrainian and other workers doing their bit (in Russian and in Yiddish) towards the creation of an international culture of the working class movement - such Jews, despite the separatism of the Bund, uphold the best tradition of the race, by fighting the slogan of the 'national culture"'. (Quoted by R.S. Wistrich, "Revolutionary Jews from Marx to Trotsky" London, Harper, 1976. P.11).

The following story demonstraes the connection of the Kibbutz culture to the history of the social movements in Russia. In Kibbutz Maagan in 1947, some thirty years after the Bolshevik revolution, a baby was born. The happy father looked at his new born daughter and said "doesn't she look like Rosa Luxembutg?". While this could have been a line from a political mcomedy, at that time it was said very seriously.

The main aims of the Universal Socialist Movement were:

i. To take the political power from the capitalist Bourgeoisie.

ii. To achieve recognition of the power and the share of the workers in the world culture.

iii. To redistribute the world wealth and

iv. To achieve public ownership of national resources.

All these were not relevant in the Jewish Israeli environment. There was no capitalist society and no bourgeoisie in existence, the culture was basically a working class culture and there was no wealth to redistribute. The European Marxist socialist model was, therefore, not applicable.

The organised workers' movement in Israel was not an organisation of the proletariat in the way known in any socialist revolution. The labour union actually became the aristocracy of the new settlers and the unionised worker was the political leader of the

whole community. In the first Jewish General National Assembly (1947, before the declaration of independence and the formation of any kind of government) 48% of the members were workers. Both Herzl and Arlosoroff did not perceive the issue of reviving the wealth of the country as a problem. The whole Jewish community would be busy reviving this wealth through building a strong economic infrastructure. There would be no classes, no capitalists and, therefore, no proletariat as in the European Model.

The basic assumption in the revival of the Jewish state was that it will be an agrarian state and not based on intensive industry. Public ownership of national resources, in the case of the Jewish community in Israel was a must and not a matter of ideology. This assumption did not go with the German and Russian model of Socialism.

Some people recognised the workers in Israel as a class of its own. This, however, exists only in theory. Unlike the small farmers of France of Napoleon III who had all the economic characteristics of a class, but didn't see themselves as such (Marx, in Bottomor 1956), some Israeli workers at the turn of the 20th century had a self- recognition of a class with a unique ideology but lacked all the characteristics of a working class in a capitalist society. The only ideology that can combine the agricultural worker with the factory worker, the teacher and the office worker, is socialism. No wonder that the Jewish state was largely established on a socialist basis.

### 6.3.1 Key Figures in Socialist Zionism

The revival of an ancient state, language, and culture are never the doing of one person. It is customery to see Theodore Herzl as the 'prophet' of the modern state of Israel. There were however many others who contributed to the founding of the Jewish state and of the Kibbutz movement. This chapter reviews some of the personalities whose activities were significant for the Kibbutz movement and their names are mentioned later in the chapter on the Kibbutz.

### 6.3.1.1 Herzl

Following the Dreyfus affair Herzl highlighted the phenomenon of the 'New Anti-Semitism', which was based on socio/economic grounds (though the religious anti-Semitism did not totally disappear). The Jews were playing a double role, according to Herzl. Part of them were very active in the social movements, while others were economically successful and accumulated money and power. The problem of the 'dual identity' surfaced with the emancipation and could be solved, according to Herzl, only by establishing a Jewish State.

Today Herzl is considered to be the visionary of the Jewish state. He was also among the first to think and talk in practical practical terms of a state and was the founder of the political Zionism. Herzl founded of 'The Zionist Congress' which had its first meeting in Basel in 1897. Though basically not a socialist, Herzl's contribution to the Zionist movement had its influence on the Kibbutz movement later on.

Herzl's Zionist movement was based on two organisations: The Society of the Jews which was to be responsible for strategy and planning, and the Jewish Company which was meant to be responsible for operations. Herzl, in spite of his total lack of organisational education, was very strict on separating the line chain of hierarchy from the staff functions.

Herzl planned a capitalistic state based on a founding capital of one billion German Marks. A public company should be established under British governmental auspices. This company should buy land in Israel. The company would also take care of selling the property of the Jews leaving Europe and prevent a price drop. The whole state was planned to be totally capitalistic and based on contracting and subcontracting. "The relationship between responsibility and authority is the central pole on which leans all the order of the practical and the trade world" (Herzl, 1885 - translated from the Hebrew edition by BBY). However, Herzl's capitalistic state had some socialistic elements in it. Those were 'workers' lodgings built and financed by the company, financial mutual responsibility among the lower classes, public support planned for the workers until a

normal economy developed. The public budget would be responsible for guaranteeing a minimum allowance to everybody, including support for the sick, pregnant women etc. Herzl's welfare ideas, which in those days were very innovative, included a seven-hours working day, the freedom of unionisation and some aspects of equality for women (Herzl, 1895).

#### 6.3.1.2 Syrkin

The originator of Socialist Zionism was Nahman Syrkin (1867 - 1924). In 1889, one year after the first Zionist Congress, Syrkin published his pamphlet "The Jewish Problem and the Socialist Jewish State". Syrkin claimed that as long as there is no material base for the Jewish people, in terms of land and an independent political entity, the Jews all over the world will remain an anomaly. The Jewish state, claimed Syrkin, can only be of a socialist nature. The reasons Syrkin quoted were practical. Forming a new Jewish state should involve large-scale settlement which would require comprehensive social planning. Such social planning can only be made in a socialist state and by no means in a capitalist economy. The Jewish state, Syrkin wrote in his pamphlet, should address itself to the Jewish proletariat in the whole world. A Jewish state based on private property would not do so. Syrkin opposed Marx's idea of the necessity of a class-struggle on the way to socialism. Class-struggle, according to Syrkin, would only generate class-based anti-Semitism.

#### 6.3.1.3 Borochov

Dov Ber Borochov (1881 - 1917), another Jewish thinker and one of the founders of Social Zionism, tried to reconcile Zionism with Marxism. Borochov favoured 'Austro-Marxism' which took into consideration the separate national existence of different people in the Habsburg Empire. In his essay "The National Question and the Class Struggle" (published in 1905) Borochov discussed the disadvantage of the Jewish proletariat subject to both class-struggle and anti-Semitism. Only in national liberty and territorial independence in Palestine will the Jewish proletariat be able to wage its fight for social justice. Immigration to America, according to Borochov, would aggravate the conflict with the non-Jewish society and would, again, put the Jewish proletariat at a

disadvantage. Borochov claimed that the Jews in the Diaspora suffer from an abnormal social structure of an inverted pyramid with very few workers (labourers) and too many merchants and bankers. This structural shape is, metaphorically as well as practically, in a dangerous imbalance and can tip over. Productivization of the Jewish people, according to Borochov, will turn the social pyramid to a normal position and create a normal and stable social structure of a strong working class as a solid base for the nation.

#### 6.3.1.4 Gordon

The third founding father of Socialist Zionism was A.D. Gordon (1856 - 1922). Gordon, who was strongly influenced by Tolstoy, also argued that only through physical, manual labour will the Jewish people acquire its independence. In his essay "The Religion of Work" Gordon argues that work is the basis of civilisation and is essential for creating a normal society. Gordon's and Syrkin's theories became the intellectual foundations of Social Democratic Zionism, while Borochov became the founding father of the Marxist Zionist stream.

#### 6.3.1.5 Arlosoroff

One of the most impressive ideologist of modern Socialist Zionism was Dr. Hayim (Victor) Arlosoroff (1899 - 1933). a philosopher and economist and the "Foreign Minister" of the "Jewish Agency". Though many socialist thinkers influenced the Zionist movement and later the state of Israel, I chose Arlosoroff as a representative of an era of the first steps towards the revival of the Jewish state. Arlosoroff's ideas demonstrate the important role of Socialism in the pre-state Jewish community in Israel and in the formation of the Kibbutz movement which was part of the 'Labour Party' in the Zionist Movement.

Arlosoroff challenged Marx's theory claiming that by ignoring the importance of the non-materialistic aspects, Marx attributed too little importance to nationalism and history and claimed that "the proletariat has no homeland". Arlosoroff claimed that nationalism plays an important role in the socialist movement. Marx was wrong, according to Arlosoroff, in claiming that the workers have no homeland. The Marxist movement, therefore, was

based on a dangerous fiction that during and after WWI weakened the socialist movement. The workers may feel resentment towards the higher classes if exploited by them. What the Marxist movement failed to see was the resentment of the workers towards its cosmopolitan approach. The worker liked his language, his culture and his country, and in most cases had strong nationalist feelings.

When, after the "big war", the socialist movement recognised its own mistake and acknowledged that workers also have culture they like and want to be part of, it did not do so for the Jews. It was possible to be a German socialist or a French socialist. The Jews received a different treatment. The radical left revolutionists looked at the Jews as capitalists and the capitalists saw them as cosmopolitans and social revolutionaries. Arlosoroff claimed that the socialist movement can only be a real universal movement if the nationalist and cultural tolerance will be applied towards the Jews as well as towards any other nationality. Arlosoroff said, in 1919, that there must be a socialist solution to the Jewish problem.

Arlosoroff disregarded the non-Zionist socialist movements. He claimed that the contribution of Jewish socialists to their movement drew them far from the Jewish society. He admitted, though, the importance of the "Bund" - The Jewish Socialist Association in Russia and Poland. The Bund, however, suffered from the same problem Arlosoroff identified in the universal socialist movement. It defied any kind of nationalism including any connection with Jewish history. In saying that "Judaism and the Messiah are dead" the Bund claimed to become a universal proletarian movement instead of a Jewish movement. The Jews found it easy to be active in the non-nationalist socialist movement, since among all other activists they were the only internationalist cosmopolitans who truly did not have a homeland. Arlosoroff believed that the Jewish identity can be kept only in a Jewish state which can only be socialist.

Arlosoroff thought that a socialist society for the Jewish state was not so much an ideal as a necessary way of life. There was no hierarchy of classes or extreme economic and status differentiation within the Jewish society. There was no Jewish proletariat and no

real industrial capitalism. Jews were mostly middle class that lacked the characteristics of middle class society. The segregation of the Jews forced them to live within themselves. Jews employed only Jews and sold mainly to Jews. These conditions were not a basis for class conflict. What was needed, according to Arlosoroff, was a new society - a Jewish state, a productive working society which will absorbe any Jew. Since Jewish socialism did not emerge from class conflict it can not prefer any class.

In order to create a normal society it is not enough to own the land. It is necessary to work the land and not to leave the work to strangers. "The state of Israel will be a Jewish state only if it will be based on just and healthy socialist ground. The Czechs and the Yugoslavs can build their own states as they wish; and we are convinced that they will not be able to avoid the demands of the productive Democratic Socialism. The Jewish people, anyway, when they get to build their own national state will make it a new homeland of true social-cultural partnership" (Arlosoroff, 1919). Arlosoroff's arguments for a socialist Jewish state were that a state based on capitalistic elements will lead to restricted immigration. Very few capitalists will be willing to move to the new state. In addition to that, a profit-oriented capitalist society will prefer the cheap Arab labour instead the Jewish labour which is expected to be more organised, with a higher standard of living and, therefore, more expensive. This will create a colonialist class. Jewish capitalism, according to Arlosoroff, will not create a new national community but a Jewish capitalist economic stratum. The most important element for Arlosoroff, therefore, in the process of the revival of the Jewish state was the public ownership of the land.

Nationalisation of production resources in Europe during the war were, according to Arlosoroff, the proof of the efficiency of such a national initiative. Jewry should raise money for the establishment of the infrastructure of the Jewish state. The Jewish state will be based on social laws which will include Herzl's vision of a limited working-hours day and the freedom of unionisation. Based on the experience of the Western world and the pre-Bolshevik experiments in Russia (Zamtbo etc.), Arlosoroff claimed that the central government should encourage the formation of co-operative societies, both in

production and in consumption. This was the environment in the very early days of the Kibbutz movement.

The socialist movement failed, since it neglected the cultural aspect of its members. The Jewish social movement will have, therefore, to create a national Jewish culture and maintain it in order to survive. Socialist society and frugal living are essential for the development of a healthy and productive society. Poverty is not a value or an ideal but rather a must under certain conditions. Socialism, therefore according to Arlosoroff, is not only an ideology. Socialism is the only way to achieve a healthy and productive Jewish community in the conditions prevailing at the turn of the 20th century in Palestine. The Jewish state, as envisioned by Arlosoroff, should be a federation of communes. "The single community will join another or a group of communes when and only if it is considered essential for its existence. As a free union the communes will join forces to advance their common interests. In this harmonious union, the desired future society will be formed... The state as a federation of free communist groups." (from a speech titled "Class Conflict in the Israeli Reality" presented at the "Young Worker" conference in 1926).

The future society in Israel, according to Arlossoroff, would be based more on the social anarchy advocated by Kropotkin than on the European communist socialism of Marx. However, even when totally absorbed in a vision of socialist Zionism (as opposed to Marxist Zionism) Arlosoroff did not abandon his vision of a universal socialist society. The Marxist Zionists, according to Arlosoroff, were trying to bring the hierarchical materialistic terminology of Marx to Israeli society. This terminology was not applicable to the reality of the Jewish community in Israel at that time.

All the socialist ideologists emphasised the importance of the proletarization of the immigrants to Palestine. Proletarization is a process by which individuals become part of the labour force through selling their labour. Proletarian positions are those which exert no control over people, objects or processes of production (A. Ben-Porat 1986; 1990). There was therefore only a small chance for the formation of a 'Jewish Proletariat' with

the Jews spread in many countries. The first time a possibility for a Jewish proletariat appeared was in the Jewish state of Israel. The Jewish Socialist thinkers tried to avoid the creation of a Proletariat as an inferior class. Arlosoroff's vision was that the whole national Jewish movement is a socialist movement - a workers' movement with philosophers and teachers who joined in. There is no place, therefore, for any class and culture conflict. "The cultural life in Israel was built on the basis of the workers' movement... The public weight of the workers reached heights not known in any of the socialist movements" (Arlosoroff, 1919).

### 6.4 Summary

This chapter summarised the ideological roots of the Kibbutz movement. The meeting points of the Kibbutz's cultural roots and its ideological roots were discussed as well as socialist activities and ideas of key figures in the history of the Kibbutz movement and in relevant processes. The next chapter deals with the more practical results of culture and ideology around the Kibbutz. It describes the organisation and management in Judaism which has been the environment of the Kibbutz movement since its inception.

## 7. Organization and Management in Judaism

The origins of modern organisation and management are to be found primarily in military organisations and in the Catholic Church. The history of the Jewish people is full of military activity, from the forty years in the desert, where the Hebrews changed from slaves into landless, nomadic fighting tribes, through the conquest of the land of Canaan, up to the time of Saul, the first King and David after him, until the defeat by the Babylonians and later by the Romans. The book of Judges contains reports of several "commando" operations, but no details about the management of the army and nothing about any special management culture. From the time of Moses onward there where several cases in the history of the Jewish people of management of complicated non-military operations. The building of the first temple by King Solomon was a major operation with complicated logistics and management. There is a detailed description of the foreign trade involved, but very little about the management. King Herod had to have either some managerial skills himself or an excellent managerial staff who enabled him to complete all the enormous building projects, the remains of which can be seen until today.

It is possible that the lack of information about management is due to the negative approach of the Jewish religion to the manager. The leaders of the pre-monarchy period were always simple people who came to solve an ad-hoc problem and went back to work their fields. Before the establishment of the Monarchy - the prime supporter of management and administration - there is a very hostile description of the process of choosing a king. The prophets were always fighting against the kings. Yotam's parable teaches us more than anything else of the contempt which the authors of the Bible felt towards any kind of manager. If we can point at real leaders, they were always people of God, lonely, angry and with no formal social responsibility.

### 7.1 Organisation and Management in the Bible

Since the origin of the Jewish people is in the biblical period, it is only natural, when trying to identify organisational and management culture in the Jewish people, to begin with the Bible. Management, so it seems, is not regarded very highly in Jewish history

and the manager even less so. The attitude of the Bible to management may be represented by the Hebrew expressions to management terms. The Hebrew word for Manager is "Menahel". The Hebrew word for "to manage" is "lenahel" which is also the Hebrew word for "to lead". However, the English word "leader" is translated to Hebrew as "Manhig", a term which has some military and even ideological connotations, but is not directly related to management. To demonstrate the difference we can say that Lee Iacocca, the famous president of Chrysler Corporation, is a manager - "menahel". Lech Valesa, the former union leader and until recently the President of Poland, is a leader - "Manhig". In the Bible we find many leaders - "Manhigim". We do not find even one manager - "Menahel". The word "Menahel" - manager, does not appear in the Bible even once. The concept of management is a new concept and it needed a special terminology. The revivers of the Hebrew language chose to 'downgrade' the term leader and created a modern word for manager - "Menahel". The expression 'to manage' - "lenahel" appears in the Bible in different forms only nine times, always in the sense of 'to lead someone to some place'. This is easily understood considering the fact that the Bible describes a period in which the people of Israel were a group of nomadic tribes and spent most of their time on the move. Indeed, in Biblical times, while wandering in the desert, the only management that could be thought of was either concerned with navigating through the desert, or with fighting.

Until the sojourn in Egypt the Hebrews, as they were called then, were not more than an extended family. They were organised in the traditional way of all nomadic families. Everything was built around the father of the family, with the eldest son as a 'heir presumptive'. The sons took care of the flock and the crops. The women stayed at home and so did the children. We are not told much about the organisation in the Egyptian period, except that the Hebrews were kept as slaves by the Egyptians. The book of Exodus tells us about the flight of the Hebrews from Egypt. In the desert they were organised as a tribal society, as were many other nomadic people in later historical periods. Nevertheless, the first signs of proper management can be identified already in this period. The first Jewish manager was probably Moses. Moses organised the people of Israel into hierarchical groups and appointed "judges" for each group, in order to

make the judicial process quicker and more efficient. We can assume that the operation of leading the people of Israel into the Sinai desert for forty years definitely involved a considerable amount of management, but we are not told much about real management culture, other than the impression that it was very much a one-man show, or rather a one- man and one-god show. This might have been an external cultural influence. Moses' father-in-law, who acted as his consultant, was not Jewish and Moses himself was educated as an Egyptian prince, not as a Hebrew slave. It is a well-known fact that ancient Egypt had a well-developed centralist bureaucracy.

Later on, towards the move to the conquest of the land of Canaan, Joshua was appointed by Moses as his successor and led the Hebrew tribes to military victories. After the conquest of Canaan begins a period called in the Bible the era of the Judges, and it completes the transition from a nomadic to an agrarian-pastoral economy. It was also the period of transition from tribal society to monarchy.

According to the Bible the first monarchy of ancient Israel was not a gift from God and was not established by God's command. It resulted from the wish of the people for law, order and security (2 Samuel, 8:5). The desire for a monarchy contradicted the general culture of freedom which is described in Judges 21:24,25, although the description given there resembles anarchy more than freedom: "In those days there was no king in Israel: every man did that which was right in his own eyes".

The Bible is the only source to document the early stages of the monarchy in Israel, and it describes in detail the transformation from a nation of tribes to a centrally organised monarchy. Before the establishment of the monarchy there was a Multi-tribal organisation for ad-hoc problems, usually military disputes with the neighbours. The connections were mostly of tribal character. With the settlement in the land of Canaan and the abandonment of nomadic life, the tribal organisation was weakened and the household became the dominant power. Several cities were founded, some of them populated by one family (the city of Tekoa and the city of Zif [2 Chronicles 24]). The process of creating the organisational tools which made possible the evolution to a full

urban life took a long time. With the strengthening of the monarchy there followed a radical change of the social structure.

Agricultural economy created inequality based on the location of the lands classes began to form. Wealth was measured in crops, livestock, and children (1 Samuel, 25:2). A wealthy class emerged others lost their lands and became hired labourers, mercenaries, and in extreme cases slaves. The later prophets, who fulfilled the position of social critics, had much to say about the ruthless behaviour of the landlords towards the poorer classes (Hoshea 12:8). The lowest class were the Hebrew slaves, people who lost their land. In between there were the mercenaries who lived by the sword, whether hired or forced. These were people who have lost their land and property, but still had their freedom. When not in the service of somebody they usually gathered around a leader and lived on robbery. Some of the mercenaries created private armies which were used by the wealthy both for defence and for achieving more "imperialistic" targets. This class is known to have existed in other nations in the ancient East (H. Raviv in Malamat, 1982). It is noteworthy that David, later to become King David, was at one time such a charismatic leader of outlaws. With the development of the cities there was also a transforming of the leadership from the Elders of the tribe to the Elders of the city. The cities contributed to the weakening of the tribal structure and thus suited the interests of the monarchy better.

The monarchy was the result of two processes:
I. the weakening of the tribal organisation.
II. the strengthening of the urban population and its growing demand for a king.

With the advent of the monarchy the whole social structure changed and four processes began:
I. The already weakened tribal organisation was crumbling. The tribal Elders were loosing much of their authority.
II. A new class of bureaucrats was formed to administer the royal administration. This class was known as the "King's slaves (1 Samuel, 18 and 2 Samuel, 2ff.). It is

interesting to note that this position is called 'The King's servants' in the St. James translation of the Bible. The original Hebrew term, however, clearly and undoubtedly means "slave". A similar type of class is well known in the Syrian and Mesopotamian culture.

III. The growth in numbers and in economic and political importance of the urban population. A strong monarchy furthered the interests of this population, which tended to support the court and the king.

IV. The establishment of a strong army. The army was based on a decimal structure, as in the days of Moses as proposed by Jethro.

In the early days of the monarchy there were three power sources: 1. the religious power, which was still very strong but losing its hegemony; 2. the military power and 3. the administrative political power which were on the rise, both supported by the king and supporting him. The days of King Saul were days of a yet unorganised kingdom. Both King David and his son, King Solomon after him, contributed to the weakening of the tribal organisation by creating the "Provinces", which were set by territory not by tribes, although the names of the tribes remained in use as an ascribed status reference (1 Kings 4:17-19). The time of the monarchy saw the formal absorption of the old leadership into the monarchy. The Elders were co-opted into the High Court and took part in solving ad-hoc juridical problems (2 Kings 14:6; Deuteronomy 24:16). They also had a place of honour next to the ministers in such matters.

The first and immediate organisation to be established by the first king was the army. David, the second king, began to build an administration with people recruited from different tribes. The King had several functions as head of state. He was the commander-in-chief of the army and the supreme judge. There are three documented lists of the king's servants, two of them attributed to the days of King David, at the beginning of the 10th century BC. The first one lists six ministers (2 Samuel, 8:16-18).

**King David's Organisation**

KING
(DAVID)

HEAD OF ARMY
(JOAB)

RECORDER

PRIEST I PRIEST II SCRIBE

HEAD OF HEROES
AND MERCENARIES
(BENAYA)

**Figure 7 - 1**

The first and probably the most important minister was the head of the army, obviously a close relative of the King. The second is the Recorder (the Bible uses the word 'Mazkir' which was adopted in modern Hebrew for "secretary" - its literal translation is "the reminder"), followed by two priests and then the Court Scribe. Last on the list are the commander of a special military unit, the "heroes' unit", and the commander of the mercenaries. In a later list there is a new minister, who is responsible for taxes. In a yet later list, from the days of the third king, Solomon, the number of ministers is increased and the order in which they appear is different.

**King Solomon's Organisation**

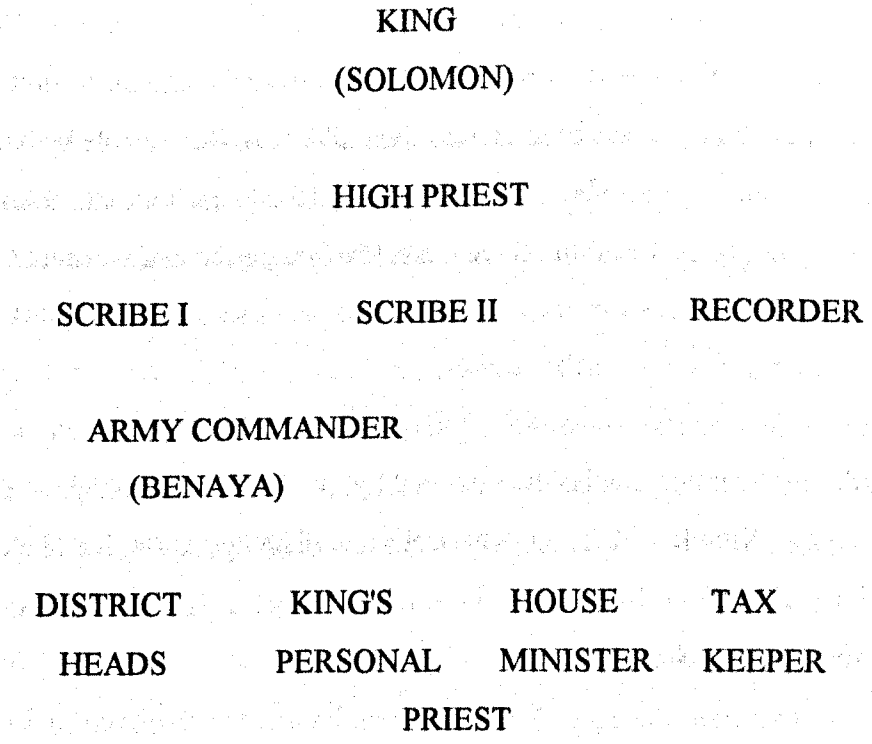



**Figure 7 - 2**

Solomon divided the kingdom into twelve districts. Each zone/district had one supervisor responsible for it. One of the King's ministers was responsible for all district supervisors. Nine of the supervisors were nominated from the tribal Elders. The others were chosen from the King's close circle and other circles which the King wanted to reward. The structure of the King's court resembled very much a modern democratic coalition with rewards for loyalty in the past or in the future (Yevin, 1982).

The High Priest is the first followed by two Scribes and a Recorder. The Army Commander comes next, followed by the District Heads. The King's Personal Priest, the House Minister and the Tax Minister. The High Priest was the grandson of the High Priest of King David. The two Scribes were the sons of the previous Scribe and most of the other ministers had some family relationship either with the King or with loyalist

families. The new court structure clearly demonstrats the increased importance of administration.

1 Kings ch. 5 gives us the opportunity to study the tax financial administration of one of the biggest construction projects of the time - the building of the Temple by King Solomon. 30,000 men were drafted to work in shifts, 10,000 each month, followed by a two months' home leave. In addition there were 150,000 permanent workers for the king. Drafting these workers was the responsibility of the Tax Minister. 3,300 supervisors were appointed over the workers .

The civil order of the monarchy is demonstrated by the first census, which was done during the reign of King David. Though basically a civilian operation, it had clear military aspects and was carried out by Joab, the head of the army and his staff officers ('the captains of the host') (2 Samuel 24:2ff).

### 7.2 Modern Jewish Organisation and Management

The Jews outside Israel were organised in communities ('Politauman' in the Hellenistic period, 'Colleagume' in the Roman period etc.). In some cases they enjoyed limited autonomy. Only the modern state saw a problem in an autonomous group, like a state within a state. This situaction resembles the situation of the Kibbutz which, to a certain extent, is in a position of a state within a state. The Jewish communities kept a voluntary judicial emancipation. This is another aspect of similarity between the Jewish communities outside Israel and the Kibbutz. The Kibbutz has a tendency not to turn to the state judicial and law-enforcement institutions in case of problems with members, but prefers to come to terms within the Kibbutz. The Byzantine government (in the premodern time), for example, opposed any kind of autonomy for the Jews and forced their court system upon the Jewish communities. The Jews responded by using their own arbitration system and obeyed an unwritten rule of not using the state judicial system (Englander, 1992).

The orthodox Jewish society, unlike the secular circles, did not find any difficulty in living in harmony with a foreign government, because of the strong self-disciplined structure of their community. Since until the 19th century there were practically no secular Jews and the non-religious type of Jew (which constitutes most of the population of today's Israel ) did not exist, the situation of a state within a state was perceived as normal and was acceptable by all Jewish communities. While the ultra-orthodox Jews saw themselves as prisoners of war since the destruction of the Second Temple, the more secular Jews saw themselves as part of the nation they lived in and strove for cultural and religious emancipation within it. They wanted to be French Jews, German Jews etc. The political theories dealing with Jewish emancipation were formulated by the Jewish philosopher Moses Mendelssohn (1729 - 1786) in "Jerusalem"; Karl Marx (1818 - 1883) in "The Jewish Question" and the Jewish journalist Theodore Herzl (1860 - 1904) in his book "The Jewish State" (see chapter on Jewish History).

The structure of the Jewish communities in Eastern Europe at the turn of the century was very much the same as the structure of the ultra-orthodox Jewish community of today. Like the Kibbutz in its early days, the extreme orthodox Jewish community was, and still is very closed and segregated. Jewish communities in the Diaspora were voluntarily segregated, or forced into ghettos (The origin of the word is in 1516 in Venetia where the Jews were confined to the "Ghetto Nuovo", which means "the new foundry"). The organisational structure of the community was voluntary and informal. There were community welfare services and a high level of mutual responsibility existed. As mentioned above, discipline was voluntary. The diplomatic function of the community was performed by the "Shtadlan" - the interceder (today he would be called the lobbyist). Material assets were not considered of high importance and goodness and wisdom were identified with material simplicity and lack of luxury.

Like the Kibbutz member with his 'casual' dress who can be identified in any environment, so is the ultra-orthodox Jew today and so was the east European Jew at the beginning of the twentieth century. This was one of the ways to keep the separation

from the non-Jewish environment and this is the way to separate the orthodox community from the capitalistic/secular environment.

The woman in the ultra-orthodox community has no standing in the outside world. Her influence is significant in the education and household issues, but she is very rarely noticed out of the house. The early communes - Kibbutz and others - were different in regard to the status of women, but the results were almost the same. Exceptions existed however, and are very common nowadays.

Jewish communities were organised around the local synagogue, which was run by volunteers. All public activity was organised by the "Gabai" (sexton), which was a voluntary job with some, but not too much prestige. Some necessary semi-managerial activities were done usually by the voluntary organisers (called "Macher" which is the Yiddish word for maker, in the sense of organiser. A "macher", until today, is someone who arranges things with the authorities and has an informal standing). Kotkin (1992) lists four assets the Jews had: multilingualism, literacy, multinational connections and flexibility. Those were very widely used in building economic success (The Rothchild Bank, Safra, and many in the diamonds business).

The modern Zionist culture, or rather the Jewish Israeli culture, is somewhat different. It exerted a definite influence on management culture in Israel. There is the Kibbutz, based on total social equality and having the economic advantage of work force transfer from one area to another, according to seasonal or ad-hoc needs. Insisting on social equality, the Kibbutz society is opposed to any kind of official management. From the early days of the Kibbutz until recently, social equality included total prohibition of any kind of formal higher education. Social equality also prohibited any material reward for managers. The manager was considered a low-status worker, someone who does not work either because he is lazy or because he doesn't know how to work. Even the word "manager" was not used and several circumlocutions were used instead.

So here was a socialistic society with no hierarchy, managed by people who were assigned to managerial jobs on a rotational basis. Big organisations that really needed management began to evolve in Israel in the early nineteen-forties, with the establishment of the (underground) military movements. As in most Jewish organisations, everything until 1949 was basically voluntary. There were politicians, military officers but no managers. Looking at the Zionist movement as a developing organisation one can identify the four domains of management (see Lessem): The Zionist movement's roots as a primal religious organisation in the middle of the 19th century; the second generation, towards the end of the 19th century turned the Zionist movement into a rational political organisation; the late 19th century and early 20th century elevated the Zionist movement to the metaphysical domain which was the basis for the Bilu movement and later the Kibbutz movement; finally, in the first half of the 20th century the Zionist movement entered its developmental stage with the practical preparation and the establishment of the State of Israel.

In this social structure/culture the State of Israel started its first steps of organisational culture. Industry, except for very few successful operations, made its first steps in the early fifties. The main concern was to create employment for almost two million immigrants of different cultures and no professional skills. The first solution was Government Initiated Public Work (copied from one of President Roosevelt's anti-depression measures). The industrial solution was considered at a later stage. Management was not important, mainly because profit was of no concern; it was even considered indecent. Managers were therefore unimportant. They were either engineers who acted as technical managers, or politicians (the "macher" type - see above) who organised the factory.

Despite the small percentage of the Kibbutz population in Israel (around 4%) its culture had a significant influence on management culture in the whole country. Managers without any formal education, though a diminishing phenomenon, are still quite common. Salary differences throughout the hierarchy are minor and the "management dining halls" are practically non-existent. Managerial positions became prestigious only very recently.

Politicians , university professors, judges and even lawyers are probably more respected and their positions carry a higher prestige. The Israeli society is now in a period of transition to what seems to me a "normal society" or at least as normal as possible in the special and political conditions of Israel. Two of these special conditions are the influence of youth movements, and the regular and reserve army service, were a manager can find himself serving as a subaltern under the command of one of his employees. All the above promote highly informal communication channels, which cross "normal" management lines with no difficulty. On the other hand the professional manager, in the American sense, is only a very late phenomenon and until not long ago being a manager was considered a job and not a profession.

### 7.3 Summary

This chapter described the organisation and management culture the founders of the Kibbutz movement were exposed to. It concludes the part of the roots of the Kibbutz and completes the discussion of the Kibbutz history and origin. However, before discussing the implications of these on the Kibbutz through the Kibbutz organisation and management, the theoretical basis for analysis has to be established. The next part discusses organisation and management theory and organisational culture. It is intended to give the theoretical basis for all analyses of the Kibbutz as an organisation and the analysis of management in the Kibbutz.

## PART 3 - THEORETICAL BASIS - ORGANISATION AND MANAGEMENT

As mentioned in the methodological chapter, a sound theoretical basis is essential in any research. The next chapter discusses existing organisation and management theories which, as indicated in the summary of the previous chapter, team up with the roots of the Kibbutz movement to form a set of valuable tools in analysing and understanding the Kibbutz as an organisation and the way it is managed.

A theory is a set of established regularities which express the findings of empirical research. Scientific theory is a compendium of empirically established facts to form a 'doctrine' (Bryman, 1992). The human knowledge is expanding by creating new theories based on newly discovered phenomena and by changing existing theories to include newly found data. Organisation and management are no exception. In some cases new theories supersede old ones. In other cases the new theory expands the old one to include data not collected before.

### 8. Organisations

The possibility of coexistence of two or more economic systems, known in the literature as 'Modes of Production', within the same society has been discussed before (Foster Carter 1978; Wolpe 1980). This is the state of the Kibbutz as a socialist community within the semi-capitalist 'mode of production' which characterised the Israeli economy before and after its establishment as an independent state (Ben-Porat 1986). Wolpe suggests that a socialistic mode of production is far more efficient than others (also in Estrin, 1989). It is also suggested that articulation between different modes expands beyond the economic level and affects other aspects of life such as culture, politics and ideology (Poulantzas 1973). Between a utopian community and the society within which it resides there emerges a reciprocating relationships which affects both the host society and the utopian community (Buber 1947).

Max Weber was the first to connect ideology with management and organisations by connecting the Protestant ethics with the rise of capitalism. He also claimed that

exploration of any social phenomenon should begin by reducing it to individual behaviour, which should be rational in terms of the individual (Bouden, 1989).

The topic of this research is the cultural and organisational changes which the Kibbutz is undergoing and their dependence on the organisational principles of the Kibbutz, its ideological infrastructure of the Kibbutz culture, as well as the ways in which all these reflect on management in the Kibbutz. Organisational and management theory as well as the questions of the relationship between the culture of an organisation and the behaviour of individuals within it is an essential background for understanding the process of change in the Kibbutz culture and the reflections of this change on the Kibbutz's organisational structure and management style.

In this chapter I shall endeavour to summarise general theories. It will be general in the sense that it is universal and not restricted to a specific organisation, history or nationality. The specific aspects will be discussed later. The connection between the ideology of the Kibbutz and its organisational structure and management will be discussed in the chapter on the Kibbutz.

### 8.1 Organisation and Management Theory

Organisations are almost as old as the human race. Whenever the efforts of several human beings had to be integrated in order to achieve a target, an organisation was formed and management was needed. With the rapidly developing technology and the complexity of business organisations it is only natural that organisation and management theories are numerous. The large number of theories and the lack of one integrating model created the label "The Management Theory Jungle" (Koontz, 1961).

Management theory and organisational theory, though not exactly synonymous, go hand in hand. While organisation theory deals with the structure of interpersonal relations and the organisation as a mechanism for promoting human collaboration, management sees the organisation as a vehicle for achieving pre-stated objectives (Murdick and Ross, 1975). For this reason it would be a mistake to look at management theory only as a

derivative of organisational theory. However, any management theory should be based on a solid organisational theory. Though organisation is almost as old as the history of mankind, modern organisation theory is rooted in the Industrial Revolution which developed in the 19th century, based on processes which began in the middle of the 18th century. It was only in the 20th century that scattered organisational ideas were synthesised into a comprehensive theory of organisation and management.

A most significant contributor to the early development of a model of organisation was Frederick the Great of Prussia (1740 - 1786). Frederick the Great faced the problem of turning an unruly mob into an army. In order to accomplish this task he developed the idea of a 'mechanistic' organisation in which the individual will be used as a task-performing machine. Frederick's army was based on standard regulations, division of operations into tasks, and the use of standard equipment. He created ranks and introduced uniforms, specialised command language and systematic training. He also realised the importance of planning and removed from the field those with special planning talents, thus creating the distinction between the "line chain of command" and the "staff" positions (Morgan, 1986).

The essence of the Industrial Revolution, i.e. the mechanisation of human actions (and thoughts), made Frederick's approach of trying to form a 'machine-like' organisation a most attractive one. Frederick's military model was easily adapted to industrial and even administrative organisations. Entrepreneurs, whose aim was to create efficient organisations which will carry out their vision of production, pushed towards standardisation of operations, regulations, and hierarchies. Among the most important representatives of this trend were Eli Whitney, the pioneer of mass production (1801), and Charles Babbage, the inventor of the first 'computer', who in his book "On the Economy of Machines and Manufacturers" (Charles Knight, London 1832), promoted methods of division of labour.

Since the turn of the century one can identify three different periods in the history of organisational theory (Murdick and Ross, 1975):

* The Classical period (from the turn of the century to the second World War) - characterised by mechanistic organisation theory, based on the model developed during the Industrial Revolution of the 19th century.
* The Neo-classical period (from WW2 to the mid-sixties) - characterised by mass production, rising standard of living and an increased demand for consumer items.
* The Modern Period (from the mid-sixties on) - characterised by transformation from a production-centred society to a service and welfare-oriented society.

### 8.1.1 The Classical Period (1900 - 1940)

Several management theories and practices were developed in the Classical Period:

#### 8.1.1.1. The Scientific School

The scientific school created the Industrial Engineering as a method of increasing productivity. Efficient man-machine systems were organised and time-and-motion studies were introduced in order to control the performance of operations. One of the founders and an important contributor to this school was Frederick Winslow Taylor (1856 - 1917). In his book "The Principles of Scientific Management", published in 1911, Taylor assumed that maximising profit (and wages) is the only motivating factor in the operation of the manufacturing enterprise. He also assumed that this target can be achieved scientifically. He was fired from the Bethlehem Steel Company and his ideas were, and to some extent still are considered controversial. Nevertheless, his contribution to the study of organisation is widely acknowledged.

The extreme and most successful outcome of the scientific school, known as 'Taylorism', is the assembly-line, which tried to push the workers to their physical limits. The idea behind the assembly-line was to de-skill work, break up the production process into small units for which no training is needed, thus ensuring that workers are easily replaceable, have minimal responsibility, and are easily controlled. Workers were looked upon from a mechanistic perspective. They were perceived as machines and it was the task of management to create physical conditions for the most efficient performance. Hence the interest in time-and-motion studies as well as in ergonomics in general. As for

motivation, the theory assumed a most simplistic model of "the economic man", hence the suggestion that rewards should be material and directly related to the quantity produced (Taylor, 1911).

The assembly-line exhausted the workers mentally even more than physically. Its monotony and 'fatigue' created hostility toward the organisation and, though still considered an efficient method for certain types of production, it soon became obvious that it failed to bring the worker to his physical limits or make him achieve the production targets of absolute efficiency as planned by the engineers (Faunce, 1968).

The new manufacturing organisation, especially the assembly-line, created alienation among workers. This alienation is believed to be the reason for performance falling short of scientific calculations. The new type of man, the industrial man, which resulted from the development of the industrial organisation is characterised by 'alienation', described as "loneliness in the midst of urban agglomeration; loss of social anchorage in mass society..." (Faunce, 1968). Alienation has been recognised as a product of quick industrial development. From the industrial revolution through the early years of this century the social isolation of the industrial worker was mainly a matter for novelist and poets. Dostoevski, Camus, Yeats and Eliot were aware of this problem which reached its peak in the formation of the assembly-line.

The assembly-line, which is the symbol of modern industry, was first introduced at the turn of the century (1910). It may be interesting to note that the assembly-line, one of the symbols of the new capitalistic world, made its appearance in industry one year after the first Kibbutz - one of the strongest symbols of socialism and communalism - was established on the other side of the world. While the purpose of the assembly-line was to create a new type of industrial enterprise which would maximise profit from human work based on the perception of the worker as a sophisticated machine (Walker and Guest, 1952), the purpose of the Kibbutz was to create a new society of social justice based on total equality and total mutual responsibility as its main values.

The assembly-line created alienation shortly after its introduction and, as proved by the Hawthorn experiment, it failed to motivate the workers to do their best (Mayo 1944). Eighty years later the assembly-line is still considered to be the most efficient production method for some products, in spite of alienation and its many manifestations on the personal and organisational levels.

Alienation concerned philosophers and social scientists long before it began to worry the industrialists. Hegel and Marx, discussing the issue of alienation, claimed that the history of man is also the history of man's alienation. The alienation of the industrial worker, which was caused by the impersonal nature of the assembly-line, was predicted and understandable. Not so predictable was the influence of alienation on performance and productivity. Marx, strongly influenced by Hegel's idea of the "Universal Essence" of man which is realised in the self-fulfilment of mankind, claimed that self-fulfilment is achieved only through productive and creative work. Marx saw in work the existential activity of man and the way of developing his universal nature, and not just a necessity for maintenance. Alienation, according to Marx, is the lack of feeling of being an acting agent of the environment. Instead, there is a feeling of the environment being alien and acting against the alienated person (Marx, in Faunce, 1968). It is argued (Rothschild and Whitt, 1986) that the performance obtained in the Kibbutz is potentially and practically higher than in the non-communal working place because of the sense of belonging and the total elimination of alienation among the workers.

### 8.1.1.2. The Administrative School

While the scientific school grew out of the experience and the needs of industry and its developers were engineers, the roots of the administrative school were in the large state bureaucracies of France, Germany and the U.K. The Administrative School focused on the office and on the hierarchical structure of organization. It emphasized management procedures derived from the basic functions of planning, organizing, coordinating, etc. The role of the manager is perceived as a decision maker and problem solver (Simon, 1960). The operative efficiency of the organization should be achieved through specialization. The social or cultural background of the employees were ignored. Status

and prestige, however, were considered as motivating factors in addition to material remuneration. The model proposed by this school portrays a rigid structure and its approach to the human factor is as instrumental as that of the scientific management with the addition of organizational factors such as hierarchy and procedures.

One of the founders of the Administrative Management is considered to be the French industrial engineer Henry Fayol (1841 - 1925). Fayol based his approach on Weber's bureaucratic theory already developed in Germany (see next section), but paid more attention to the type of action taken in the organisation beyond the structure of the organisation (Fayol 1949). Based on his own experience of thirty years of management, in the mining and metallurgical industry, Fayol classified all business activities into six categories:

* Technical activities.
* Commercial activities.
* Financial activities.
* Accounting activities
* Security (for personnel and property).
* Management.

The six categories of the manufacturing enterprise are still considered as the backbone of such organisations and apart from 'security' most of today's firms' structure is based on Fayol's categories of organisational activity. Fayol also defined five elements of management:

(a) forecasting and planning.
(b) organising.
(c) commanding.
(d) co-ordinating.
(e) controlling.

Henry Fayol was the first to analyse the activities of the manager and his five elements are the basis of the manager's duties. Fayol adopted the 'division of labour' principle and

observed that there is a 'managerial activity' which is independent of the business type and is applicable to all businesses. Management, therefore, is a discipline with its own principles and philosophy and can be implemented in any type of business. Since management is a unique vocation in its own right it has its own principles which can be applied to any organisation:

* Division of labour - specialisation without which in today's technology no organisation can be viable.
* Authority - the power to command, which is the essence of any hierarchical organisation.
* Discipline - which combines obedience to superiors and respect for the firm.
* Unity of command - a definite and clearly defined organisational structure.
* Centralisation - which (supposedly) ensures the optimal utilisation of resources.
* Subordination of individual interests to the general interest - subordinating human passions and conflicts to the interest of the firm.
* Remuneration - strictly economic remuneration.
* The Scalar Chain - the chain of command and communication.
* Order - everything in its place and time.
* Equity - diverse ownership.
* Stability of tenure - orderly planning of human resources.
* Esprit de Corps - creating harmony and unity in the organisation.

Fayol combined Taylorism with the 'soft approach' of the Bureaucratic School. His principles are still considered valid and most modern administrative systems are built according to his scheme.

**8.1.1.3. The Bureaucratic School.**

The Bureaucratic School established by Max Weber (1864 - 1920), one of the founders of modern sociology, is the first complex theory of modern organisations. A graduate of Berlin University known for its strict formality and academic discipline, Weber developed the model of "Bureaucracy", the hierarchical, rational, efficient system for the management of all large-scale organisations. In his historical studies Weber tried to prove

that wherever large-scale, centralised organisations emerged, whether the administrative system of ancient China, the administration of the Catholic Church, the Prussian army, or any of the large organisations of the industrialised society, they all have some common features which enable them to mobilise, co-ordinate and control large numbers of people for concerted action.

Bureaucracy, according to Weber, is characterised by the precise definition of roles, which are then assigned to persons who fit the criteria of the definition. The structure is hierarchic, communication is impersonal and vertical, rewards are tied to position and not its incumbent, and lines of promotion are clearly formulated on the basis of merit. Each activity is documented, so that the turnover of office bearers does not affect the system. The office, the basic unit of organisation, is separated from other social units such as the family and social strata. "People", says Weber, "should be provided with authority according to their competence and not according to their social rank or family connections". In spite of the rigid theory, Weber was aware that these characteristics are not an exact description of actual organisations, which often deviate from the model which he called an "ideal type" (Weber 1943).

Weber considered large-scale bureaucracies, among them the industrial organisation which emerged from the Industrial Revolution, to be the most characteristic element of modern society. His theory incorporates both the ideas of the scientific and the administrative schools, but carries them to a higher level of abstraction and systematisation. Weber set his model into a socio-cultural context, differentiating between the formal culture of the organisation and the informal cultures of the family and community, being thus the forerunner of the recent recognition of the importance of culture in organisations. Weber believed that bureaucracy is the most effective system of organisation. He also realised that with time it becomes an "iron cage" or what was termed later "bureau-pathology", which destroys efficiency, thus predicting some of the later trends toward more flexible and more "humane" organisational models. During the last three decades more negative connotations were added to the bureaucratic concept and several widely read satirical management books were written pointing out the

drawbacks of the bureaucratic model (Parkinson C.N. 1957; Peter and Hull, 1969). The significance of Weber's work to the Kibbutz lies in the recognition of the informal structure of the home and the family (the environment culture). Weber, however, failed to see its importance in the life of the organisation.

All three schools (the scientific, the administrative and the bureaucratic) identified the organisation as a technical/economic system acting according to mechanistic, highly formalised rules in a severely hierarchic structure. These models seemed very precise, well defined, and elegant. They were easy to set down on blueprints and translatable into administrative routine. They also gave the impression that once the 'machine' was properly set up, it will continue to perform efficiently without being disturbed by changes in the social or political environment. They provided politicians and entrepreneurs with what they thought was the perfect means for the civil service or the factory to achieve goals decided upon at the non-bureaucratic upper level. Hence the attractiveness and successful survival of the bureaucratic model. One of the most visible flaws of the model was its inability to properly incorporate staff positions into the hierarchical chain of the line. A permanent in-built conflict was assumed between "staff position" management and "line position" management, staff being defined as information resources serving the line managers without any decision-making or command authority of their own. With the rising importance of information technology and the high level of specialised knowledge, staff positions became more and more central. The models of strict hierarchy could not provide answers to these changing needs of modern organisations which instead of being clear-cut pyramids became more amorphous, less elegant and sometimes even "messy" structures. Less easily detectable was the inability of the strict bureaucratic model to react to environmental influences and the impact of culture and human relations. Even Weber, who did recognise the importance of culture, did not allow for it within the organisation, only outside its boundaries, as part of the social environment. A certain Culture, according to his theory, was the prerequisite as only certain types of culture prepared people and society to develop and to maintain a rational, formal, organisation. Culture also provided the non-bureaucratic policy makers with basic values for deciding

upon priorities in allocating resources, while the organisation, the perfect machine to execute policy, had to be value-neutral.

### 8.1.1.4. The Human Relations School

The Human Relations school "discovered" the man in the man/machine equation. The discovery was a perfect example of serendipity - a non-intended discovery. The Hawthorne studies, which provided the birth certificate for the new 'movement' (there are some justifications for calling it not only a school of thought, but also a social movement) started as a traditional ergonomical study by industrial engineers and psychologists who checked the influence of working conditions (light, rest periods etc.) on workers' performance led by Elton Mayo in the Hawthorne Western Electric Company (Mayo, 1933).

The power of observation and the intellectual openness of the researchers led them to the unexpected conclusion that there is a clear link between output and motivation, group norms, and social support. The Electric Company experiment is considered to be a breakthrough in the evolution of management, by introducing such new concepts as group norms, group culture, informal relations and informal leadership within the work-group and the organisation. The success of the Human Relation School was probably due to the growing realisation that there are flaws in the mechanistic model, hence the readiness to accept a rather common-sense turn in the managerial ideology, which for a while was used as a magic remedy for all organisational ills. There is some irony in the fact that managers in democratic countries had to be taught the elementary rules of normal, polite, human behaviour toward their employees. The novelty of it was the simple assumption that employees are **also** human beings who should be accorded the same respect as any other free citizen.

On the ideological level the Human Relations school was the first to raise the question of organisational democracy. However, the critics of this school argued that the prescription for "good human relations" are nothing more than managerial gimmicks used to create a false feeling of equality and "familism" with the workers in order to

weaken class solidarity and identification with the trade union, and prevent organised struggle against exploitation. Mayo himself thought that in a well-managed factory, managers should take care of the needs of their workers and that trade unions were causing unnecessary disturbances. He was convinced that those who achieved managerial positions were among the most gifted and most responsible members of American society. These people, thought Mayo, were much more competent to assure the welfare of "their" workers than the trade union leaders. Many of the tenets of the Human Relations School became an integral part of the organisational theory and managerial conception. Further development and derivatives of these ideas proliferated both at the academic and at the applied level. Out of it grew a large industry of counselling and training of managers and even of foremen. Often the practices proposed and taught under the title of "human relations" were offered as an overall panacea for every organisational problem. Their appeal diminished when it was discovered that good human relations, although necessary both for ethical and practical reasons, do not guarantee high performance and do not prevent conflicts and strikes. There is no doubt that the Human Relations movement changed the organisational climate and sensitised management to the human aspects of the organisation. But its conceptual system was built exclusively on the problems of human relations, neglecting integration with the formal aspects of either the organisation or of the production.

As organisational theory or as managerial technique, the paradigm and the teachings of the school of Human Relations proved to be insufficient, and there was a need for more sophisticated approaches and more complex answers to the problems of modern management. The basic premise of the Classical period is that organising is a logical, rational process. Before the Hawthorne studies the work of the manager was considered in terms of co-ordinator, scalar, functional, including staff and line principles as expressed by the popular acronym POSDCORB - Planning, Organising, Staffing, Directing, Co-ordinating, Reporting and Budgeting (Mooney, 1943).

The classical approach promotes the idea of a rational, logical worker who prefers clearly defined job limits. Group performance is viewed on a totally impersonal basis as a

formal relationship between a position and a job to be done. The Human Relations School brought a revolutionary change in modern management by recognising the fact that work is accompanied by an emotional load which can help or hinder the worker in his job. This trend was later included in the reformulated classicism of the Neo-classical period in Organisation theory.

### 8.1.2 The Neo-classical Period (1940 - 1960's)

The Neo-classical period is characterised by an increased standard of living and the development of a consumer culture. At the same time low-cost manufacturing techniques were developed in most industries. The three 'non-humanistic' schools which viewed the organisation as a techno-economic system obeying certain mechanistic man-machine rules were integrated and developed into the new field of "Management Science". The worker-oriented school of Human Relations became the basis for the new field of "Organisational Behaviour". The transition from the Classical period to the Neo-classical period marks the switch from rigid inflexible schools to more flexible and dynamic schools based on interdisciplinary empirical research (Murdick and Ross, 1975).

#### 8.1.2.1 Management science

In the Neo-classical period management schools which have been developed in the Classical period became integrated into "Management Science". Management scientists viewed management as a combination of technology and problem solving. They looked for sophisticated decision making models for complex problems in industry, still ignoring the workers and their motivation to perform. During the 2nd world war (WW2) management scientists tried to perfect the process of decision making and created the field of "Operations Research". Operations Research is based on quantifiable variables of inputs and outputs and uses mathematical and statistical methods to create a model which should simulate the industrial/organisational reality. This model was solved mathematically, in the hope that it would lead to the solution of the problem.

The experience of management scientists, though very successful at the beginning, has not been very happy in the long run. Management scientists developed what Igor Ansoff

called "Production Mentality" (Ansoff 1977). They have focused on perfecting production and logistic technology without paying any attention to the human aspect of the manufacturing operation, ignoring the behaviour of both the organisation and the market. However, management science made it possible to plan and control projects of magnitudes unknown before the development of these scientific tools, starting from the 'Manhattan Project' during WW2, the development of the Polaris strategic missiles in the fifties (which was the first large scale project to use mathematical project management techniques such as PERT and network planning), and to the present days in which no project is even considered without using these techniques.

### 8.1.2.2 The Organisational Behaviour School.

The importance of the humanistic approach has been established by Mayo in the 'Hawthorn papers'. The Organisational Behaviour school derives its knowledge base from the behavioural sciences: sociology, psychology, anthropology, etc., and integrates them into organisation theories. Researches testing individuals' behaviour in the organisation became very common since WW2 and added to existing empirical knowledge at three levels: the individual, the group (organisation), and the mutual relationship between the two. This school has produced a large number of theories; only a few are mentioned here, without detracting from the value of those omitted.

* Group Dynamics - developed by Kurt Lewin (1890 - 1947), based on research carried out in 1924-1926 at Berlin University. He discovered and described the importance of group forces and their influence on the individual. Influenced by the new Gestalt theory, Lewin's empirical research was related to goal achievements and the psychological forces and tensions in groups (Lewin K. 1948).

Sigmund Freud (1856 - 1939) also analysed the forces acting in a group from the most primitive stage, which he called 'primal horde'. Freud's analysis included groups as small as two people and organisations as large as armies and the church. Freud explained the nature of the bonding forces and the role of the leader in the group.

* Theory X and Theory Y - developed by Douglas McGregor (The Human Side of Enterprise, 1960) - Both theories are not based on any original research but rather on a novel interpretation of known facts. McGregor presented two fundamentally contradicting theories for managing workers. Theory X assumes that workers are basically lazy and incapable of taking responsibility. According to this theory workers have to be driven to perform by the 'stick and carrot' method and have to be constantly monitored. Theory Y assumes that all people have an inner need for work, responsibility, and achievements, and will willingly perform at their best if properly managed. In psychological terms, theory X assumes immaturity while theory Y assumes the ability and desire for adulthood.

McGregor presented both theories in order to emphasise the validity of theory Y. The enhancement of theory Y came in 1940 at General Motors, when 190,000 workers were asked to describe their jobs and what they find in it. In most cases workers, though very critical, found something interesting in their jobs and some space for achievement. The Theory X vs. Theory Y distinction is probably the distinction between old, primitive work culture and advanced modern one.

* Motivation and Needs Levels Theory - Abraham H. Maslow developed McGregor's Theory X and Theory Y approach. Working with a small company in Southern California, he realised that adopting Theory Y as described by McGregor did not bring the expected results. Maslow concluded that besides the need for responsibility and achievement which Theory Y suggests, there is the need for basic security and even guidance. The human being strives to provide its basic physiological needs first, then his security, dwelling, work etc. and only after these come the highest level of needs which are social recognition, responsibility, and sense of achievement. The lower level of needs, according to Maslow, fits Theory X while the higher level of needs fits Theory Y; it is not either Theory X or Theory Y, but rather a combination of both (Maslow, 1954).

Maslow criticised McGregor's approach and contended that both Theory X and Theory Y are incomplete. Although there are lazy people as well as diligent ones, the issue in motivating people to perform is not the human nature. He claimed that people who are reluctant to work (even to the extent of sabotage) can, under different conditions, contribute far beyond the call of duty. Therefore the issue, according to Maslow, is to provide both for the lower and for the higher level of needs. Maslow counts the needs in an ascending order:

1. Physiological needs.
2. Safety, stability, and security.
3. Affiliation, belonging to a group, love.
4. Self-esteem (ego need) and the esteem of others (social recognition)
5. Self actualisation-fulfilment of the person's potential and interests.

* The Motivation/Hygiene theory - developed by Frederick Herzberg in the late fifties. Herzberg further developed Maslow's theory and divided the needs into two families. The first family comprises the "hygienic needs". The hygienic factors of work and the working place related to the work environment and not to the work itself. Herzberg lists them as follows (Work and the Nature of Man, 1968):

* Company policy and administration
* Quality of supervision
* Status, salary and security
* Working conditions
* Working relationships

These factors, according to Herzberg, can never be positive motivators. However, failing to satisfy these needs will negatively effect workers' motivation.

The other family of needs, the "motivating" factors listed by Herzberg, are perceived by the workers as rewards, and are the following:

* Achievement

* Recognition
* Advancement and growth
* Responsibility
* The work itself

These factors are related to the organisational and human context of work and to the emotional response of the worker at work, not to the work environment. Providing for these needs will increase motivation and productivity.

### 8.1.3 The Modern Period (1960's - on)

The modern period, is often labelled by theorists as a "turbulent" era. Changes in this period are rapid and often unpredictable, and risks caused by a variety of factors, many of them considered irrelevant to business (e.g. the oil crisis) are very common. The prodigious development of technology, especially information technology is only one of the factors, others being the restructuring of the economy, the globalization of policy and politics, the changing character of the work force, and last but not least the growing impact of values and ideologies on business decisions.

The modern period of management and organisations is characterised by the growth of the service sector and the increased importance of education. White-collar workers have increased in number and in importance. Higher investment in the quality of life led to a higher level of services. Highly developed communication channels and communication technology brought increased interdependence of social phenomena all over the world. Consumers are becoming more educated and more knowledgeable, particular, and susceptible to change of taste. The consumer base itself is changing rapidly, creating new opportunities and forcing the suppliers' organisations to adapt to quick changes. The younger contingent of the labour force is more reluctant to obey the laws of the traditional scientific-technological management, causing organisations to face a need for rapid changes in order to survive (Murdick and Ross, 1975).

In addition to technological changes (high-tech products, innovative services etc.) which led to a higher degree of specialisation of organisations and within them, the consumer

behaviour described above has forced producing and service organisations to consider several new aspects of importance and influences in the spheres of their activity:

* Lower tolerance for low quality even at lower cost. The increased demand for services is accompanied by the desire for higher quality. Suppliers are measured not only by the ability to deliver but also by the quality of service/product. Advanced communication technology makes transport an insignificant problem and increase competition.
* Higher regards for "fashions" and fads in consumer behaviour, with rapid changes in consumers' preferences.

The technical/economic models of scientific management and the theoretical models of organisational behaviour proved insufficient. The modern management recognised the need to tie the two models together to create a model of human, technical, and economic nature. The behavioural model added internal motivators (job content, interest and recognition) to the external hygienic factors (salary, work environment and social conditions).

The modern period established Organisational Behaviour and Management Science as legitimate members of the academic world. Based on the previously described schools and approaches a large number of theories have been developed. Some of these theories are basically similar, emphasising different aspects of organisation. Following is a review of some of the modern theories:

### 8.1.3.1 The General System Theory

The older traditional theories assumed the organisation to be a closed system. The organisation is comprised of its members and the processes within the organisation affect its members. The environment of a member of the organisation is the organisation itself. No real interaction occurs between a member of the organisation and the outside world in his role as a member of the organisation. His other roles, be it his family, his congregation (see Weber) etc. are irrelevant to his life in the organisation.

The modern approach regards the organisation as a system which interacts with the social environment. The General Systems Theory asserts that an organisation is more than a mere aggregate of all its elements. It is meaningless, therefore, to examine each element separately (Katz and Kahn, 1966). An open system absorbs inputs like materials, energy and information from its environment and exports its output to the environment. In social systems a dynamic equilibrium is created between the organisation and the social and cultural environment. Only an organisation which can change in order to maintain this dynamic equilibrium with the changing environment is likely to survive.

This theory can be easily applied to the Kibbutz. The Kibbutz began its life as an almost totally closed system. Interaction with the urban environment was minimal, as was the influence of the environment on the Kibbutz culture. With the advances in technology (especially communication technology) and the changes in the economic structure of the Kibbutz, it became an open system in constant interaction with the urban, semi-capitalistic environment. In order to maintain a state of equilibrium the Kibbutz had to undergo a continuous process of change.

The changing environment is believed by many researchers to be the reason for changes in organisations, because conventional bureaucracy with its exact definition of roles, hierarchies, communication lines and procedures is ill-suited to cope with innovations and changes. It is the opinion of futurologist Alvin Toffler that the world is undergoing an anti-bureaucratic process, turning toward "loose" organisations devoid of hierarchy, eliminating middle management and creating opportunities for informal information flow and self-starting teams (Toffler A. 1970). The large-scale development of the sciences in the 20th century led to two different trends in the philosophy of knowledge: an ever more subtle specialisation into ever smaller areas, vs. the search for unification and integration of disciplines. The major breakthrough in genetic research (the discovery of the structure and function of DNA), for example, is the result of combined knowledge in the disciplines of organic chemistry, biology and crystallography. Similar combined efforts and co-operation of separate knowledge entities are at the basis of many of the most important advances in science, as well as in medicine and many technical areas.

Neither did the process of integration pass by those branches of science which deal with human behaviour. Psychologists, sociologists, and anthropologists studied organisations, each from one's own point of view. Integrating these sciences with other related fields has contributed much to the further and better understanding of organisations.

One interesting and influential theory based on the integration of several disciplines is 'The General System Theory' developed by Bertalanffy (1971). A "system" is defined by the Oxford Dictionary as "a whole composed of parts in an orderly arrangement according to some scheme or plan; a set or assemblage of things connected, associated or interdependent, as to form a complex unity. Systems became a discrete concept only in the twentieth century. The system theory is basically an abstract model of organisation which can be applied in entirely different contexts - ecological, physical, psychological or social processes. Its basic assumption is that organisations of any kind have a tendency to stabilise in a state of equilibrium.

Bion, a psychologist, differentiated between an effective group, which is concerned only with the internal forces of the group and is out of touch with reality (the environment) and an ineffective group, which is concerned with its relations with its environment. Bion's effective and ineffective groups (Bion, 1943) parallel Von-Bertalanffy's concept of closed and open systems. Von-Bertalanffy, the biologist, based his theory on natural science and on the contradiction, or rather dichotomy, between the theories of Kelvin and Darwin. Kelvin postulated the law of degradation in physics and predicted the death of the world when it reaches an equilibrium of evenly distributed energy at low temperature. Darwin, on the other hand, suggested "a transition towards higher order, heterogeneity, and organisation" (Von Bertalanffy, 1971). As a basic example for an open system Von-Bertalanffy uses the live body cell. The cell reaches an equilibrium - a steady state, through a precise control of energy and material exchange through its boundaries. An open system is in constant interaction with its environment. It absorbs energy, performs a process (doing work) and releases energy.

The open system approach evolved in the integration stage of the human - economic - technical model and led to the "General System Theory" (Bertalanffy 1971) as a theoretical framework for all phenomena in human organisational systems. Bertalanffy distinguished between physical and mechanical systems which can be referred to as closed systems, and biological and social systems which are open and interact with the environment.

### 8.1.3.2. The Cybernetic Model

The Cybernetic Model was Developed by Norbert Wiener and was presented in 1948. The development of this model is a result of the (then) new computer technology, information systems and self-regulating machines. Cannon's concept of homeostasis was a cornerstone in the development of cybernetics. Cybernetics is a theory of control systems based on transfer of information between a system and its environment and within the system itself, and control of the system's operation within the environment (feedback).

In his cybernetic theory Wiener tries to show that feedback mechanisms are the basis of functional, purposeful behaviour in organisms as well as in men-made machines and social systems. The cybernetic model is used in many areas of science to demonstrate the formal structure of regulatory mechanisms (e.g. in biology) by block diagrams and flow charts. This is done even when the regulatory mechanism itself is unknown and the whole system is perceived as a 'black box' which is defined by its input and output.

The difference between the cybernetic model and the open system model is that the basis of the open system model is the dynamic interaction of its components. The cybernetic model, on the other hand, relies on a feedback cycle in which feedback information helps to maintain or to reach a target value. The cybernetic model, unlike the open system model, does not have any "metabolism" or inner process. The feedback cycle is not necessarily an open system and does not have to interact with the environment. However, it permits a system to grow only through learning - by using new information entered into the system. In this the cybernetic model resembles the open system model.

The system in the cybernetic model can grow, therefore, as a response to any kind of environmental change.

The cybernetic model is suitable in describing a 'goal oriented' human behaviour, while the open system model describes a fertile work environment (Bertalanffy, 1971).

### 8.1.3.3. Contingency Management

The Contingency approach to management is a by-product of the System theory. It is a modern approach which recognises the difficulty in working out one formula which will define all types of organisations. The Contingency approach sees management as matching people to systems, to tasks, and to the organisation as an environment (Handy, 1993).

Pugh and Hickinson (1989) explain the Contingency approach as "emphasising that the appropriate organisation structure will depend upon the environmental demand". The idea that one particular structure is best for any organisation is rejected. Even the idea of a "best" motivational approach like McGregor's Theory Y or Ouchi's Theory Z is rejected. The alternative is the Contingency approach which will choose the appropriate approach for each organisation according to its specific internal and environmental conditions. The key in Contingency Management is the term "appropriateness".

### 8.1.3.4 Organisation Control Mechanisms

In the last three decades much attention was paid by researchers to the 'life cycle' or 'development' of the organisation. Henry Minzberg identifies an organisation by five mechanisms of co-ordination and control (Minzberg, "The Structuring of Organisation" 1979):

i. Mutual Adjustment: This is an informal mechanism which prevails in small, usually young, organisations in which each member can perform any function.

ii. Direct Control: This mechanism is actually the beginning of an "establishment" process. When the "mutual adjustment" can not work because of the size of the

organisation or specialisation of tasks in the work process, a responsible person (manager) is nominated to co-ordinate and control the operations of the organisation. Both mechanisms are inefficient when the organisation is large and employs many people who perform a variety of operations. When the organisation gets bigger it needs a process of standardisation. This process should include standardisation of the work process, standardisation of the qualifications of the workers, and standardisation of the output.

iii. Standardisation of the work process: This mechanism prevails in cases in which the work process can be segmented into simple standard activities. The assembly line is the perfect example for such a mechanism. Improving the output will be achieved by improving the process.

iv. Standardisation of qualifications: In cases of a very complex product the work process cannot be standardised. Any R&D project is a good example. Co-ordination and control are achieved through standardising the qualifications of the workers. Improving output (and improving the organisation) is achieved through developing the workers' qualifications.

v. Standardisation of Output: This mechanism is found in organisations in which the bottom line is the most important issue. An organisation which depends on contractors to do a job will not be interested in any of the problems other than the final product, its specifications and its cost. Such an organisation can be improved by improving the definition of the desired outputs

### 8.1.3.5 The Four Types of Managers (PAEI)

Another researcher-practitioner interested in control mechanisms is Ichak Adizes of UCLA. He identifies 'management' as a complex operation which calls for four main types of activities and therefore four types of people: the 'Producer' (P), the 'Administrator' (A), the 'Entrepreneur' (E) and the 'Integrator' (I). The PAEI theory is very easily related to other theories. The (P) 'Producer' of Taylor's Scientific management, Fayol's Administrator (A), Weber's Bureaucratic Integrator (I) and the Entrepreneur (E) which is identified by Maslow as the achiever. Adizes states that good

management needs all four types. Since there is no person who can provide all four management styles, management is a job for a team (Adizes, 1979).

After describing the four types of managers, Adizes comes up with a "cook book" for good management and problem solving. In this cook book Adizes does not propose a new organisation theory or management theory, but rather states his opinion that there is not one proper managerial style or one proper form of organisation. The proper management style should be a combination of 'personalities' which Adizes calls "Complementary Staffing". In his book "How to Solve the Mismanagement Crisis" Adizes demonstrates the performance of the four types through the life of the organisation. The entrepreneur is the initiator with the drive to make things happen. The producer is the individual with the basic knowledge necessary for the production. The producer and the entrepreneur, however, are not enough for the operation of a complex organisation. The manager has to be also an administrator. He has to direct the work of others, set timetables, organise meetings and make sure that the whole system is indeed working. But management is more than mere production and administration. Management has to do also with setting targets, deciding on strategy and formulating a policy. In the modern changing environment to do these activities successfully the manager has to show initiative, wisdom and resourcefulness. These qualities, according to Adizes, are not usually found in the producer and the administrator. The fourth necessary quality for the long-term survival and smooth operation of the organisation is found in the integrator. Integration is the process which transforms the individuals' performance and efforts into a group activity.

Unlike organisational psychologists like Maslow and others, Adizes does not try to anticipate behaviour or to ask why such-and-such a behaviour occurs. He is interested in the questions - "which type of behaviour can be observed?" and "how does the observed behaviour effect the organisation?". Adizes concentrates on the managers' style. He sees the manager as the leader of the whole organisation and the one who determines the behaviour of the organisation. He tries to find the right action which will achieve the proper balance between the four types of managers which are essential (all four of them)

for the proper running of the organisation (Adizes 1979). In this respect his thinking is more a method of implementing change than a new theory, and indeed Adizes presents his theory as a practical method of organisational therapy.

Adizes also presents a life cycle of the organisation which is based on the four management types:

* The Entrepreneurial stage - In this stage the E type is dominant and the organisation is characterised by high motivation of the people and visionary approach.
* Baby Organisation - characterised by the dominance of the P type: a great amount of work and effort, very little planning and not much vision. This is the stage of realising the vision.
* Growing Organisation - with the P and the E types as leading forces. The organisation is still working very hard. The visionary approach affects the planning and diversifying.
* Adult Organisation - characterised by A and E as leaders. The Entrepreneur is still dominant and a professional Administrator enters the scene.
* Mature Organisation - the organisation at its best, led by E, P and A. The organisation has vision (E), work (P) and it is well managed (A). This stage, according to Adizes, is the beginning of the end. The danger here is the elimination of the E and with it the loss of vision. The organisation in this stage is balanced and integrated:
* Balanced organisation - With strong P, A and I and no E. The organisation at its peak. Until now the organisation was growing. From this point the organisation begins to solidify and decline begins.
* Aristocratic Organisation - The organisation is led by A and I. The P is lost. Instead of hard work the organisation emphasises status symbols like official dress, office size, etc.
* Bureaucratic Organisation - Usually coincides with loss of sales. The organisation is dominated by A forces and compensates for loss of sales by raising prices and losing market share.
* The last stage is when no leading power dominates and the demise of the organisation is only a matter of time.

The practical value of Adizes' theory lies in identifying the stage in the organisation's life cycle and injecting the "missing" element in order to teach the organisation to move to the mature stage and stay there.

### 8.1.3.6 The Global Management

Another theory which recognises stages in the development of organisations is the Global Management theory (Lessem 1990). According to Lessem no particular theory is "true" or even true for a certain organisation. The Global Management approach argues that an organisation, throughout its life cycle, is undergoing transformation(s) and varies its behaviour. In order to understand this process there is need for more than one theory.

Organisations pass through several domains of management. Management domains are culture-related. Those in the North (Europe) are different from those in the East (Japan), the South (developing countries) or the West (the USA). Organisations, as well as individuals and society, undergo phases of development. A different managerial style is appropriate for the different developmental stages of the organisation. Management is therefore also age-related. The 'young' organisation needs a managerial approach which is completely different than that needed for an established 'adult' organisation. "...there are different 'domains' of management to reflect different cultures and individuals, on one hand, and different stages of personal and organisational development on the other hand" (Lessem 1990 p.XIV of preface). The different domains are equally applicable to organisations, to managers and to the environment. Lessem identifies four domains of management:

* **The Primal Domain** - This is the basic and instinctive way of leading people. It is the relatively uncomplicated management style of the natural leader, based on natural leadership and passion for shared values. The passion for excellence (Peters and Austin, 1985) is found in young entrepreneurial organisations and young enterprising managers.

The best example for primal management I witnessed was when I worked for a very young and innovative firm, where everybody worked very hard regardless of normal

working hours and hierarchy and status were completely ignored. We were unloading some new equipment for a new project, workers and managers together. The workshop manager was a 'primal manager' and he orchestrated the unloading when a new person approached us trying to say something. The workshop manager did not listen much and told him to move some boxes. The new person did what he was asked to do, only to come back and ask for instructions how to reach a neighbouring firm. He was not a part of the activity but the natural authority and the intensive activity swept him along and made him a part for the time.

* **The Rational Domain** - Effectiveness converts resources into results (P. Drucker, 1967). The rational domain is the intellectual domain based on effective management of resources rather than 'visible leadership'. This domain characterises the established adult organisation and the adult responsible manager. The rational domain is the domain of the administrative management and the bureaucratic organisation.

* **The Developmental Domain** - Developmental management supplements, rather than replaces, the other two types of management, even though to a certain extent it contradicts the primal management. Products, markets, organisations, and even individuals evolve in stages (Lievegoed, 1980). A manager has to anticipate and cope with the stage of development in which the organisation is at any given moment. In a healthy organisation in the developmental stage, collaboration overtakes competition and the dominant managerial activity is co-ordination rather than leadership or resource management.

* **The Metaphysical Domain** - The Metaphysical domain draws its drive and energy from a philosophical/spiritual and experimental base. This is a stage in which the spirit is the leader, experience is the co-ordinator and the philosopher is the manager. The Kibbutz, in its early days, was in its metaphysical domain. Tabenkin and Gordon - the philosophers - were the leaders and the ideology was the driving force.

The Global Management approach does not assert that there is a rigid order of transformation, though there is a "normal" way of development of any organisation. The four domains of management represent different stages of individual, managerial and organisational evolution and reflect different time phases and places of origin. The contribution of the Global Management approach is in the integration of a number of different theories into one logical frame. The Global Management sorts cultural and personal tendencies into the four domains and draws a complete picture of organisations, management, managers and cultural environment which are to the four domains.

The most important factor in organisation and management (which, unfortunately, is sometimes forgotten) is that it has to do with people. In my first day at the University I happened to hear the general manager the University talking to the administrative staff. I still remember some of his words: "...I want to remind you that from today we are going to have several thousands of students here. I do not ask you to be considerate with them, I am not that naive. But for God's sake, at least remember that they are here". Sometimes I wonder how many difficulties in management and organisation life could have been eliminated by only listening to this clever advice.

### 8.1.3.7 The Aston Group Theory

The Aston Group theory was developed between 1961 and 1970 at the University of Aston in Birmingham in a research led by D. Pugh. The Aston group "derived empirically from the results of their research a taxonomy of forms of organisation structure". The types are characterised by two dimensions: concentration of authority and structuring of activities. The matrix obtained describes the range of structures prevalent in industrial organisations. Big industrial businesses usually have a structure described as '*Workflow Bureaucracy*'. These organisations are highly structured but not highly concentrated in authority. Services organisations are described by the Aston group as '*Personnel Bureaucracy*'. They are less structured but more concentrated on authority. Some smaller organisations are described as '*full bureaucracies*'. They are both highly structured and highly concentrated on authority. Family businesses are, usually, '*non*

*bureaucratic*' organisations. They are neither highly structured nor highly concentrated on authority. Figure 8-1 describes the four types of organisation structures.

**The Aston Group Organisation Model**

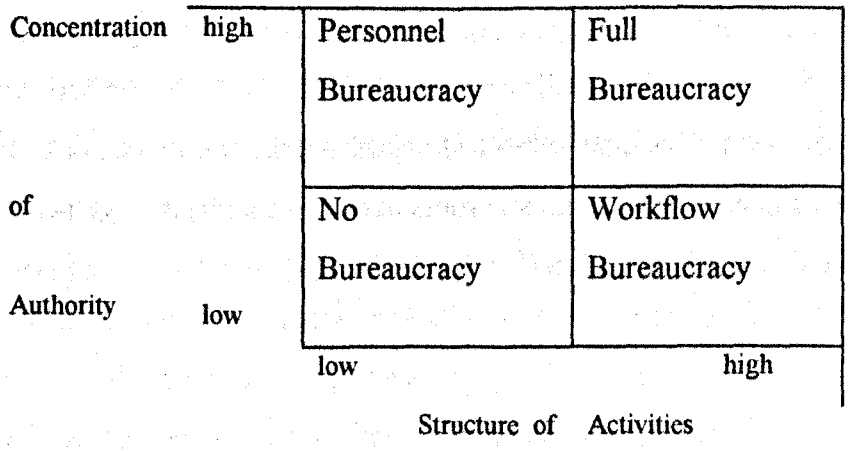



**Figure 8 - 1**

This theory is further developed to form a three dimensional matrix with fine tuned differentiation of levels of bureaucracy and concentration of authority (Pugh, 1971).

The Aston group developed a methodology for building the model. The methodology is based on six dimensions which are: level of specialisation, level of standardisation, standardisation of employment practices, formalisation, centralisation, and uses contextual scale addressing workflow integration, vertical integration and dependence.

## 8.2 Summary

This chapter discussed the theoretical basis of organisations and management. Several organisation theories were presented and the history of organisation theories was reviewed. Among the many theories revised non is entirely suitable for the analysis of the Kibbutz organisation and management. Until now there is no organisation and nearest theory which suits the Kibbutz. There were several endeavour to apply existing model to the Kibbutz (Rosner, Lanir, Golomb and others) but they did not seem to fit the complexity of the Kibbutz organisation. Pugh's theory is the nearest one which can be

adopted by the Kibbutz. One of the difficulties of a Kibbutz organisational theory is that the Kibbutz is actually three different organisations: the community similar to a family owned business and is non bureaucratic; the agricultural branches, deviate from other types of business organisations by being non bureaucratic. The third organisation in the Kibbutz is the industrial ventures which is workflow bureaucratic. An organisational and management theory for the Kibbutz should relate to all three types of organisations in the Kibbutz. The next chapter analyses the subject of organisational culture and combines this chapter with the Kibbutz background and roots in order to address, together with the case studies, the first two hypotheses.

## 9. Culture, Organisations and Management

The word culture is derived from the idea of cultivating and stands for the pattern of development reflected in a society's system of knowledge, ideology, values, laws and day-to-day rituals. (Morgan G, 1986). Culture turns out to be rather a "soft" concept that is much used and abused in everyday language. One speaks about modern culture vs. traditional culture and about various national cultures. It is often used to designate a desirable quality, like in cultured people, or in the derogatory sense, as lack of culture.

According to accepted academic custom, one has to define the main concept of discourse more precisely than the layman's usage. In his book Deal (1982 p.4) quotes the definition of culture given in Webster's New Collegiate Dictionary: "the integrated pattern of human behaviour that includes thought, speech, action and artefacts and depends on man's capacity for learning and transmitting knowledge to succeeding generations". The inference from this definition is that culture is ubiquitous, and that it has to be considered a basic attribute of the human being and of society. In this sense "lack of culture" is meaningless when applied to society or even to an individual. Schein (1985) uses a more severe and restricted concept of culture: "...the term 'culture' should be reserved for the deeper level of basic assumptions and beliefs that are shared by members of an organisation that operate unconsciously and that define in a basic 'taken-for-granted' fashion an organisation's view of itself and its environment. These assumptions and beliefs are learned responses to a group's problems of survival in its external environment and its problems of internal integration. ...culture, in this sense, is a learned product of group experience and is, therefore, to be found only were there is a definable group with a significant history." According to this view, not every group or organisation enjoys the property of "having a culture". (Schein, 1985).

Hofstede (1991) defines the personality aspect of culture: "It is the collective programming of the mind which distinguishes the members of one group or category from another". He also calls it 'the software of the mind'.

Hofstede perceives culture as a multilayer concept as illustrated in figure 9-1.

**Hofstede's Culture Model**

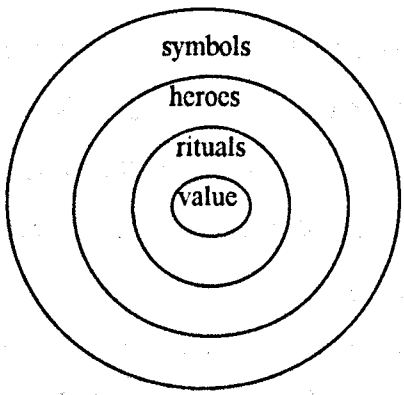



**Figure 9 - 1**

At the core of the culture are the values which Hofstede calls "feelings with an arrow". The values dictate preferred patterns of behaviour which include judgment of the proper way to behave (good vs. evil; ugly vs. beautiful; natural vs. unnatural etc.). The other layers are a matter of practice in different areas. *Symbols* include, apart from ornaments and other symbols, also patterns of behaviour such as gestures which carry special meaning. *Heroes* are persons which have highly appreciated qualities and character. These are not necessarily living people. They can be imaginary or long dead. The importance lay in their character and not in their existence. *Rituals* are collective activities such as social and religious ceremonies. Corporate culture is defines by Hofstede as "a soft holistic concept with hard consequences.....the shared mental software of the people in the same organisation".

In spite of a great diversity of theories and opinions, anthropologists and sociologists who study culture as a social phenomenon, agree that:

I. there is not one, but many cultures, which grew out of different traditions, environments, historical events and many other random occurrences;

II. culture is neither good nor bad;

III. more or less stable groups develop cultures with some group-bound specific character and within the same group there might be variations - a major 'group culture'

tied to the specific identity of the group and subcultures of smaller groupings within the larger group;

IV. subgroup cultures might be in harmony or at least acceptable by the major group's culture. For example: some type of organisational culture in its relation to the general societal culture; the culture of the shop floor compared to that of the whole factory; the culture of the factory compared to the culture of the whole company, etc. Subgroup culture can, on the other hand, be deviant from the major group's culture, like the "Mafia" culture within the American society;

V. although there exists a great variety of cultures, it seems that there are elements common to all. These elements make it possible to describe a formerly unknown culture and compare it with known ones. All cultures contain three basic elements:

* The technological element - tools, materials and techniques used both in day-to-day life and on festive occasions. The American Indian's canoe, the Eskimo's kayak and the Malay proa are some examples.
* The sociological element - the human relationships in the culture, from man/woman relationships to work hierarchy. The legitimacy of polygamy in the Islamic cultures or the total acceptance of hierarchy in Japanese industry can serve as examples.
* The third element is the ideological element - religious practices, code of ethics, set of values and so on. The devoted socialist tendency of the Basque community or the emphasis of the Jewish people on education are good examples of this element.

VI. Cultures are both continuous, dynamic and cumulative. Culture is changing through generations. Some of the cultural elements are 'stubborn' and hard to change or eliminate, while others change more easily. One of the most important topics in theories of culture is the question of cultural change and the absorption of new ideas, values, ways of life, and even artefacts into an older culture. Thus, much has been written about the impact of technological innovations on various cultures or the transfer of technology from one culture to another. Whether the subject is a society or an organisation, it is of major importance to try and predict the ability of the receiving culture to adapt to innovations and absorb them, or the possibility of destructive effects.

The incorporation of the concept of culture into organisational theory is a relatively recent development. Some of its principal assumptions are in contradiction with the rational models of organisations. Culture is not rational per-se, and this is both its strength and its weakness as an instrument of management. Culture includes some rational elements such as knowledge and science, but it also contains non-rational elements such as values, beliefs, and religious practices. Acceptance of foreign culture is itself a phenomenon of culture change and it shows evidence of problems similar to those found in different situations of culture change: resistance to a new idea, negation of its importance or the endeavour to deal with cultural phenomena through the established and unsuitable methods of the rational model.

It has to be noted that there is a difference between a societal culture and the special culture of the organisation. The latter is a culture within a culture and its boundaries are much more clearly defined. There are objective conditions which delimit or prescribe some cultural elements in an organisation. When trying to make the connection between theories of organisation and the theory of culture there arises the question of organisational rationality and efficiency. One of the important issues in this connection is whether there is a convergence of types of organisations which leads to a global type determined by technology and the characteristics of the global market, or whether it is possible to reach identical goals by different ways and maintain cultural and perhaps environmental specificity. Looking at the modern world we can differentiate between cultures of the East - mainly Japan, the West - the United States, the North - Europe, and the South - Africa (R. Lessem, 1989). In modern days all cultures are exposed to the same technologies and at least some of the cultures have the same goals of freedom and prosperity. However, each culture uses the same technology to create a different type of society. The American, the Western European, and the Japanese cultures are all different, yet they use the same technologies for very similar targets. The East European, the African, and the Chinese and Indian cultures are still struggling for somewhat different targets.

## 9.1 Culture and Management

Culture varies from one society to another. We can expect, therefore, different patterns of organisation and management in different societies. Organisations with similar purposes operate differently in different cultures. The social structure of the Japanese industry is inconsistent with American ideas of basic practices for conducting business efficiently. Nevertheless, the growth of the Japanese economy from 1870 to the present has been second to none.

The comparison between the West and the East demonstrates the importance of culture in management and proves that the principles of business administration are not absolute, but highly culture-dependent. Japan and the USA both run free-enterprise economies with the clear corporate target of profitability. However, the American culture directs the American business towards the individual and therefore makes a clear distinction between public and private enterprise. The Japanese organisation is group-oriented and integration of efforts is only natural. The American culture encourages pioneering and originality while the Japanese culture emphasises team work, integration, and even imitation. Both cultures use the same technology, both are successful and yet so very different. Two great industries, both with many points of excellence, operating in different cultures and being managed differently (Lessem 1989).

The 60's were dominated by the American industry and the American management style. The 70's belonged more to the Japanese industry, which outperformed the American industry. The rising of Japan as a leader in industry and commerce was a phenomenon which drew the attention of organisation and management scientists to the question of the connection between management and culture. While many researchers tried to discover the secret of the Japanese success story, most of them agreed that it was related to the Japanese culture (Takezawa and Whitehill, 1981).

Interestingly enough, the introduction of Japanese products to the Western market started in the second and third decades of this century with low-quality, labour-intensive, cheap products, which enjoyed limited success largely due to dumping prices.

For decades "made in Japan" meant low quality - yet it came from the same culture. These cheap products were even more Japanese, because they were the products of Japanese culture, prior to its extended contacts with the U.S.

The modern Japanese industrial enterprise is based on the traditional culture of the rice farmer. The Japanese worker perceives his working place as his extended family. Worker/employer relationships are somewhat complicated. Often there is a life-long commitment by both sides. The worker will not look for a 'better' place to work even when times are good, while the employer, when times are bad, will suffer his losses and not turn to the easy way ("easy" in western cultural terms) of improving his financial position by lay-offs. However, this type of relationship is, to a certain extent, a myth and amounts to about 30% of the Japanese work force. For the rest of the workers there is no commitment whatsoever, not even a pension fund. The worker can find himself redundant, with practically no notice given. The drawback of this system is clear and lies in high level of alienation of the worker towards his employer. The opposite attitude in the Japanese culture caused loyalty of the worker to the employer in the desire to gain "protected" standing. This, in turn enables high level of work force fluidity with easy transition of workers from place to place and even from industry to industry, within the same firm (Morgan, 1986).

Murray Sayle, an Australian researcher, describes the Japanese rice farming culture as an intensive team work, in which each individual is performing at his best to ensure that the collective results are optimal. If anything goes wrong, the whole group suffers. If weather is bad, the whole village starves. Likewise, if one farmer neglects his irrigation ditches, the whole village suffers. This culture of common responsibility is what makes the Japanese industry such a tough competitor to Western industry, which has to reward workers whose interests do not coincide with those of the employer.

Morgan, in his book "Images of Organisations" (Morgan, 1986), points out the old tradition in which the cultivator was always willing to share his crops with those who used to 'look after him'. Morgan sees this culture as the basis for the relationship between

including the modern negative aspect of "protection"). The tradition of interdependence between the cultivator and the warrior is very strong throughout Japanese history and is part of its culture. It is now paralleled by the managerial elite, or "clans" which are running Japanese organisations. The employer protects his workers and takes care of them. The worker - the cultivator - knows his place and accepts his dependence on the employer. This interdependence is extended beyond the relationship of the individual with the employing organisation. It is reflected, also, in the relationship of the organisation with society - the state.

An example for the Japanese working relations is Matsushita's "spiritual values" which are the basis for the giant company's strategy. It states, among other things:

* National service through industry.
* Harmony and co-operation.
* Courtesy and humiliation.
* Adjustment and assimilation.

The tough hierarchy, the long working hours and the long-term commitment of the worker to the welfare of the elitist management of his organisation is also a reflection of the old relationship of the cultivator and the Samurai.

The Japanese culture, in which a person knows and accepts his place in society is the reason for the restricted mobility between ranks. Those are determined almost from birth. The oppressive working conditions which are reminiscent of the old feudal Japanese culture could not have been tolerated in the West. On the other hand, the same culture does not identify subordination with loss of self-respect, allowing the worker to gain self-respect and the respect of others through excellence in service (Abegglen, 1958).

The drive for excellence as the duty of the individual, according to his place in society, is deeply rooted in the Japanese culture. A large part of this duty is the performance of one's job. Unlike the American culture, which encourages innovation and initiative together with job performance by material as well as non-material rewards (Peters and

one's job. Unlike the American culture, which encourages innovation and initiative together with job performance by material as well as non-material rewards (Peters and Waterman, 1982), the Japanese culture does not reward performance by financial means. All remuneration is based on educational level, age, and length of service. Performance merits are totally non materialistic.

The ancient rice farmer culture does not encourage any kind of individual innovation, since the individual in this culture is totally dependent on his fellow members of society. This might be the reason we do not witness any great individual inventions from the Japanese. The rice farmer culture, however, does encourage the individual to contribute to the success of society and though the rewards are not material, they are enough to encourage long hours in the factory, looking for more efficient ways of operation (Morgan, 1986).

It is usual to think that the Japanese culture does not encourage innovation. Indeed, most of the Japanese technological advancement is through imitation. In the past the Japanese were using Chinese technologies; later they turned to American and European ones. However, one should be very careful in accepting the myth of imitation. The rate of acceptance of Western technology, ideas, and ways of life is phenomenal in Japan. The permanent Japanese worker is not afraid of changes since his job, in most cases, is guaranteed. He is not afraid to put his task out of the system due to an improvement, since he trusts his employer to give him another job. However, his reward for a new invention or an improvement is never materialistic. What he does receive are recognition and honour (Drucker, 1973).

Although Japan did not give the modern world any major invention in this century and the Japanese mainly adopt Western technologies and inventions to improve their manufacturing techniques (the computer industry, the automotive industry, musical instruments, etc.), the Western world has to admit that the transformation of a feudal/ dictatorial society into a working democracy and of technological imitation into economic growth must be something that is not solely imitation.

1981). Western society does not regard the work-place as an extension of home. Since the decline of the "Protestant Work Ethic" work is perceived as a vehicle to achieve personal targets such as welfare and well-being. Community needs are not so much to support the organisation but rather to give better education and better community services to individuals. The philosopher Bertrand Russell went to the limit by calling work 'a necessary evil' in his essay "In Praise of Idleness". It is admitted that the Protestant work ethic of Victorian times did create working relationships as compliant and paternalistic as in Japan. However, years and generations of social change in England and the Western world together with developing class conflicts created antagonistic attitudes of the workers towards the employer who is perceived to be exploiting the worker for his own benefit (Abegglen, 1958).

The American culture which shaped management from the times of the "Robber Barons" until today is the ethic of individual competitiveness. "The American Dream" is the dream fulfilled by Steve Jobs (Apple Computers) and Bill Gates (Microsoft) as entrepreneurs and Lee Iacocca (Ford and Chrysler) and John Scully (Coka Cola and Apple Computers) as organisation men. Success is personal and should be materially rewarded. Failure should be condemned. The American culture, however, is based on democracy which, unlike the Japanese culture means that everyone should have and indeed does have the opportunity to be "number one".

American 'excellent' companies find ways to motivate their people through material. rewards as well as by creating the 'winner' image (Peters and Waterman, 1982). Thomas Watson, founder of IBM used to write a check the moment he spotted an achievement during his walks around the company. Successful salesmen's clubs and 'Salesman of the Year' or "Sharks Club" awards for superior sales performance at Control Data Co. are all done with the intention of creating and nurturing the winning desire.
Gregory Bateson in his 1940's research found this type of reinforcing desirable behaviour to exist also in the parents-children relationship. The research, conducted in Britain, USA and other countries, found that American children were taught to be boastful and

and other countries, found that American children were taught to be boastful and exhibitionist while British children were rewarded for being 'seen but not heard' (Morgan, 1986).

### 9.2 Organisational Culture

It is argued that organisation in itself is a cultural phenomenon which varies with the stages of development of a society. The fact that a non-western culture (such as the Japanese) can evolve organisational models which compete successfully with western technology led to the increasing recognition of culture as an important factor in the organisational setting.

The very rational economic interest in the Japanese competitor led to a rush of studies on the "managerial secret" of the Japanese. Nearly all of them agreed that this "secret" resided in the societal and organisational characteristics of the Japanese culture. These studies were followed by studies of Japanese culture and many popular books were published about cultural differences between the successful and unsuccessful American business enterprises. (e.g. the very successful "In Search of Excellence" by Peters and Waterman, 1982). At the same time there were also attempts to transplant and adapt the Japanese organisational culture into the American organisational ideology (Ouchi, 1981).

Deal (1982) writes "....one unmistakable conclusion: the people who built the companies for which America is famous, all worked obsessively to create strong culture within their organisations." (p.8O). Organisations may be regarded as 'mini-societies', each with its own culture, inner politics and other rituals. Sometimes the culture of an organisation is fragmentary: its the public culture and its inner culture might be different and even contradictory. Corporate culture can be management-driven or a derivative of the history of the organisation. At Hewlett-Packard for example, management decided to create a team ethos. It adopted a 'no-firing' policy in order to induce confidence and security amongst employees. HP's management maintained this policy even during downturns and preferred to take a salary cut across the board rather than break the 'no-firing' policy. This attitude of management led to a culture of enthusiasm for work "beyond the call of

organisational culture can be less positive and more ruthless. A certain American corporation has been known to delay payments to its subcontractors and drive them to bankruptcy. By using its financial strength it did not hesitate to engage in lengthy legal proceedings, just to settle for reduced payments.

Opinions differ as to the feasibility of 'creating a culture' as a technique of management. Undoubtedly, elements of culture are found in any functioning organisation. The desired goals of the organisation may either be explicitly formulated in a charter or other similar document, or transmitted orally in informal and/or indirect ways. In either case they influence managerial decisions and behaviour. The writers quoted in this chapter assume that management is responsible for formulating, transmitting and "embedding" these desired goals into the culture of the organisation and in the creed of the organisation's members. Although they agree that group subcultures might exist, none of them admits the possibility that these groups may define different organisational goals and act accordingly.

Organisations acquire an image. Well-managed organisations try to plan their image. In some cases image creation starts with a successful logo aimed at the public. The logo can serve as the basis for an organisational philosophy expressing some of its basic values. It can however remain a marketing gimmick only. In a business organisation values relevant to the organisation's culture concern beliefs and expectations about work behaviour, interpersonal relations, relationship with the society at large, time orientation (present or future centred), the image of the 'good organisation', and the proper place and content of the various functions and roles in the organisation. Much of this is not laid down in a book of rules. Although there are organisations which have their book of "ten (or more) commandments" they never cover all the relevant norms which are communicated in a variety of direct, indirect and symbolic ways.

Direct ways are the written or oral expressions of expectations, duties and other norms of behaviour. They can be spelt out in the work contract, although many taken-for-granted-expectations will not be included in the usual work contract. In a well-planned

granted-expectations will not be included in the usual work contract. In a well-planned process of absorption of new employees some of the norms will be communicated during the admission procedure. Others must be discovered by the employee as and when they become relevant. Much misunderstanding can be avoided by a well-functioning absorption process, during which an employee can learn the most important norms of behaviour and is shown the legitimate person(s) to turn to for reference when in doubt.

The most important means of indirect communication are the rewards and punishments through which one learns the 'rules of the game'. Many of these are of a social nature: recognition, esteem, encouragement, but also 'cold shoulder', 'being left out' of informal networks or even, the more material, delay of promotion. Indirect communication of norms might pose serious problems for the main organisational culture. The norms of a work group may be different or contrary to management expectations. The already quoted Hawthorn experiment has found that work groups may have their own ideas about what constitutes "a fair day's work" and they are able to enforce norms quite efficiently by using a well-established system of social rewards and punishments of their own.

Symbolic representation of values occurs in all organisations. Some of these are intended and planned by the management. Many others evolve during the history and the daily life of the organisation without the management being aware of their meaning and impact on organisational culture. The vehicles of symbolic communication are myths, rites and rituals. But covert symbolic values are often attributed to many other elements of organisational life. The physical environment is one of these. It is well known that office space, furniture, view from the window, the shape of the desk, etc., are not just functional units. They are symbolic representations of status hierarchy. So are the clothes worn at work (blue collar - white collar, white coats and hard hats, all of which can become symbols of identity), common or separate dining rooms and even the obligation, or exemption from the obligation of punching the clock, or the cases of the key to the executive bathroom.

In the early 1980's I was working in the Nuclear Engineering department at Boston Edison, the electricity company of New England, U.S.A. All the engineers used to come to the office wearing suit and tie. In the nuclear power plant it was common to wear jeans, coloured shirts and a wind coat. It was well known that if an engineer was seen in the Boston office wearing jeans, he was either going to the power plant or coming back from there. There were no exceptions to this behaviour, from junior engineer to department head.

An extreme way of creating identity with the group - the firm - is the Japanese custom of wearing a uniform with the name of the firm pinned or printed on. It is ubiquitous in most of the enterprises (including banks).

The history of the organisation is an integral part of the organisational culture. It emphasises basic values, introduces heroes and founding-father figures, recounts anecdotes and ties the members to the chain of continuity. These histories nearly always contain some mythical parts about difficulties which were successfully overcome by solidarity or other valuable input of the members, or some blatant failure due to lack of the desired qualities.

Rites and rituals are those activities which are not result-oriented or product-oriented and in this sense they are not rational. They carry their value in what they are and not what they achieve. Rituals and rites lend colour to routine. They underline the importance of an event and translate abstract values into emotionally rewarding events.

According to both Schein and Deal, one of the most important functions of management is the creation of organisational culture. In order to achieve this they have to understand the importance of culture, to learn its dynamics and to develop skills of culture creation and maintenance. It should be kept in mind however that a strong organisational culture might be an obstacle to change. Devotion to the 'good old ways of doing things' points to successful over-indoctrination. Another problem might be the result of competing

subcultures which gain importance in a situation where culture is overly emphasised to the detriment of other, production-oriented, processes.

Focusing on the link between management style and corporate culture can provide insights into the reasons for an organisation's way to operate. But management does not have a monopoly on creating corporate culture. Its power to reward and punish does put it in a powerful position, but informal opinion leaders exist outside management circles. Culture can not be imposed on a social setting. It develops through social interaction.

It is quite common to identify different, sometimes even competing value systems, which create a fragmentary rather than a single organisational culture. Subcultures can be created on professional grounds. It is easy to understand that accountants and shop-floor workers, for example, will have different sets of values and work culture. Subcultures can be divisive, with loyalty split among different departments/sectors and different managers. Subcultures can also be societal, relating all workers from the same social circle, shop-floor workers from different divisions for example, and differentiate them from white-collar workers or other similar groups.

The culture of an organisation resides in its members as much, and sometimes more, as in a concrete set of rules such as organisation structure, policies, missions, job descriptions, and procedures. This explains the difficulty of identifying this culture. The organisation culture can be subtle and of a distant origin, such as the rice farmer culture for a Japanese organisation or the old class conflict in a British organisation, to name but two. The importance of identifying the prevailing culture for business can be summarised in the words of an Iraqi-born Israeli trader, with no formal education, whom I had the fortune to meet in a bus travelling from Egypt to Israel: "When I go to do business in a foreign country I try to learn its language in order to be able to listen to their conversation in the coffee-shop. Then I go and visit four places: I go to their court to see how they judge their outlaws; how they judge the poor and the rich. I go to their place of national entertainment, be it a football game, a basketball game or even bull fighting, to see how they act when they are happy. I go to a funeral to see how they act when they

are sad and I go to a hospital to see how they behave when they suffer". This wise man managed to put most of the organisational culture theory in a nutshell.

### 9.3 Summary

This chapter concludes the theoretical part. The next part is based on the theories of organisation, management and organisational culture discussed in this chapter and the previous one and addresses the hypotheses through a discussion of organisation and management in collective communities.

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## PART 4 - COMMUNAL MANAGEMENT AND ORGANISATIONS

The fourth part deals directly with the problem presented in the introduction. This part is based on analysis of literature, previous research (especially chapter 10) and also on some preliminary interviews made in preparation to the case studies. Chapter 10 discusses communal ideology as a background for communal management. It also discusses commune as an organisation and some examples are presented. Chapter 11 discusses the specifics of organisation and management in the Kibbutz.

### 10. Communal Management

The Kibbutz is a collective and a commune. The organisational implication is that the social system and the economic system of the Kibbutz population are parts of the same organisation. Two other examples in which these two systems have strong relationship are the Jewish communities of Europe until the turn of the century (chapter 7) and the Japanese factory which embraces the worker beyond the normal western working environment (Abegglen, 1958). In any commune, therefore, the connection between the first two hypotheses (culture) and the other two (management) is obvious. There are, however, some collectives which are not communes. All hypotheses lead in the direction of changing the Kibbutz from a communal collective to a non communal, or rather, less communal collective. This tendency however makes the study of non communal collectives highly relevant.

One of the most important and unusual phenomenon of the Kibbutz beyond its role as a communal way of life, is the communal management. Though the Kibbutz is evidently a unique organisation, there are several other organisations which practice some kind of communal management. Some of these organisations exercise a communal way of life as well and some of them do not. In this chapter there is a concise review of some organisations, other than the Kibbutz, which practice some kind of Communal Management.

Since there is no established theory of collective organisation and management, the best way to review this subject is through examples. These examples will create, together

with the proposed Kibbutz case studies, a complete picture of collective organisation and management. Two types of collectives are reviewed here. A non communal collective - the Basque Mondragon and several communal collectives. I chose to describe Mondragon even though it is not a communal community since its situation relates to the first two hypotheses. Though it never was a commune, it kept its collective nature in a fully urban community. I did not relate to the Chinese and Soviet communes since I am convinced that voluntarism is a basic principle in the Kibbutz and therefore the non voluntary communes are irrelevant to this research.

### 10.1 Mondragon

Mondragon is the name of a Basque co-operative movement originated in the town of Mondragon. During the years of its existence Mondragon proved to be a combination of economic success and strict adherence with co-operative principles. Like the Israeli Kibbutz, Mondragon is a co-operative movement based on unique culture.

#### 10.1.1 History

The founder of Mondragon called it a "continuous experiment", hinting that the development of the co-operative movement has not yet completed and that the movement is still developing. This attitude is very similar to that of the Jewish philosopher Martin Buber who called the Kibbutz "exemplary non failure", which hints that success may be on its way but has not yet been achieved. Both Mondragon movement and the Kibbutz movement are in the middle of a long way with many problems not yet solved.

The Basque country, on the border of Spain and France, is divided to seven counties. Three of the Basque counties are in French territory and four are in Spain. The whole Basque population numbers three millions. The Basques use the Basque language which is different from any European language. The Basques are catholic but they differentiate themselves as Basques by their lingual identity and not by their religion. The Basque country is mountainous and poor but is highly industrialised.

The Basque history is full of freedom fighting and, unfortunately, also full of defeats. The last defeat was in 1936, during the civil war in Spain, in which the fascist regime of Franco overtook four counties of the Basque country. The Basque language was forbidden to use, work opportunities diminished and the official education system was open to those with fascist tendencies only. The Basques became foreigners in their own country. These are the socio-economic conditions in which the co-operative movement of Mondragon grew up.

The Mondragon co-operative movement was initiated by father Arizmendy, a Basque young priest who served in the civil war as a military journalist. The co-operative movement is totally non religious and the fact that it was founded by a priest has to do with the personality of father Arizmendy and with the fact that only priests were allowed any kind of public activity. A civilian could have been executed for the same activity.

Arizmendy started with creating a new technical school which was open to all the people regardless of their political inclination. The school and the education system in general is still the backbone of the Mondragon Movement. Later Arizmendy tried to create jobs for the graduates of the technical school and in the early fifties the first co-operative was formed. Finance was raised, initially, by the 5 founding members with the help of the Basque community. The Basque community has a long history of fund raising for community purposes done mainly in the drinking clubs meetings.

### 10.1.2 Principles and Organisation

The basic ideology of the Mondragon movement is very simple: social solidarity, productive work, self government and management. This ideology is taught in the technical school and is embedded in the Basque culture. It is with this culture and ideology that the founders of the first co-operative were equipped when they formed, in 1956, the first co-operative. The objective was clear and simple: to form a factory independent of any outside capital and based on the resources of the workers and on self management. The national Basque interests were, also, in front of the founders and it

was clear to them that not the middle class will advance the interests of the Basques but the workers.

The first co-operative was a small factory for home stoves. Shortly after that four more co-operatives were founded by graduates of the same technical school. They were all based on the same principles though there was no rigid model. In 1959 three problems were identified as crucial to the existence of the movement:

1. The issue of social security - Co-operative members in Spain were not eligible to any kind of national social security.
2. The financial issue - the co-operatives wanted to finance their operation without the dependence on the banking system.
3. The issue of continuity - without constant growth the movement would be a vanishing episode with no future.

In order to solve these problems the five co-operatives joined in 1959 to form the "Caja Laboral Popular" (the workers' popular fund) and actually put the basis for the expansion of the Mondragon movement to be the most important economic enterprise in the Basque county. Between 1961 and 1976 some fifty six new co-operatives were established by Mondragon including a Bank and several Industrial and Agricultural enterprises employing about 55,000 people in a wide range of enterprises.

The Mondragon movement principles:

1. Total Democracy by General Assembly.
2. No outsiders as members.
3. No hired labour.
4. Every member must own (purchase) a significant share. The shares may rise or fall in value.
5. Significant part of the enterprise is indivisible in order to secure the continuous existence of the enterprise in its original form and ensure its independence of individual or group control.
6. Wage and salary differentials are fixed.

7. Management is elected for a period of four years and is answerable to selected representatives.
8. Each co-operative has access to professional and financial help from the central movement.
9. Mondragon is committed to contribute to the community through social and educational projects.
10. Individual co-operatives enjoy large degree of independence but are integrated into a group with mutual responsibility.

The Mondragon movement created a federation of mutually supportive co-operative firms with auxiliary organisations such as banks, schools and R&D institutes. As a matter of fact Mondragon is almost a complete economy based on co-operatives. Unlike some other co-operatives, Mondragon remained a one class co-operative. A different example can be found in co-operatives which, at a certain stage of expansion, began to hire workers. One example is the garbage collectors co-operative in San-Francisco which started as a co-operative of people of Italian origin and expanded to a two class company. The other is the Bus Co-operative in Israel which, in return for some monopolistic privileges had to expand and to introduce hired drivers and mechanics.

It is possible that the Basque culture prevented Mondragon from becoming just another public company. The Basque culture, which was stronger than the Fascist culture of Spain of Franco, and created Mondragon is known for its anarchist sentiments. The same culture through the Basque National Party with the Basque Trade Union movement proposed the establishment of a total co-operative economy as early as 1933.
References for this chapter: Lessem, 1989; Rothchild and Whitt, 1986.

### 10.2 Communes in North America

The north American communes are, actually the first communal movement of the modern world. It is interesting to note that in North America, the stronghold of capitalism, there are more voluntary communes than in all the rest of the world put together. Though communes in North America has, in most cases, other ideology in

addition to the socialist ideology, I find their organisation relevant. Common interests with the Kibbutz movement is acknowledged by both movements and there is even some dialogue on basic ideological issues.

### 10.2.1 History

Strange as it may sound, the capitalistic United States of America is the host of more commune than in the rest of the world put together. Like the case of the first emigration wave to Palestine (The, 'Bilu' movement, 1880) the first communes were established only as a temporary solution to the settlement difficulties. In Jamestown Virginia, 1603 and Plymouth Massachusetts, 1920 the new settlers had to sign a contract with the British settling companies which obliged them to commune life. They had to maintain total partnership in both production and consumption and in the ownership of all assets for the first few years. This partnership brought with it some kind of commune. However, this communal life was not voluntary and was forced by the authorities (the settling companies) for their own benefit of quick profit and for the safety of the settlers. There was no ideological or any other motivation to keep the commune and indeed both communes fell apart as soon as the contract expired. The first Puritan settlers arrived in America in 1630. They were organised in independent communities (based on a license given to them as 'The Massachusetts Bay Company'. Partnership , though not total, was based on religious faith and commitment to social principles. The religious element was very strong and induced a strong functional organisation with many aspects of mutual responsibility and mutual help socially and economically. The very widely used area called 'common' was simply a common piece of land in the centre of the settlement which was owned by all the community and was used for the benefit of the community.

Since 1663, the year the first registered history of a commune is known there is a continuous existence of communes in the USA. Two types of settlers were known in days of discovering 'new worlds'. One was the opportunistic group. These were based on Mercantilist ideas and went to find their fortune in the new world. The other group were the utopists. The new world, especially the new and wild America, looked to them a perfect scenario for the establishment of a new community, a new society based on social

justice and equality. These dreams were connected, usually, to a religious belief. Such a group were the Puritans that settled in Massachusetts in 1630, as expressed by their leader John Winthrop on the deck of the ship Arabela before it took off to America. Vinthrop called his people to unite with each other and with God in order to be worthy of the mission they took on themselves - to form a perfect society. Most of these groups failed to form the perfect society they dreamed on. The difficulties of the new world forced them to get established and the religious rigidity oppressed any kind of free thinking. The idea, however, remained the purpose of the founders of the United States of America and appeared time and again through the American history. Thomas Jefferson expressed it in the Socio-political theories and said that the USA, free from the old type of government, should be a social experiment of fulfilling ideals of social justice which could not be achieved in Europe. Jefferson's interpretation of these ideal was a society based on a big number of small independent producers and farmers which were to be the solid foundation for an equality based democratic society. Jefferson was open to all sorts of social 'experiments' of social justice and in his late days was a big supporter of communal communities.

The religious freedom of the new world attracted some organised groups with ideological and religious motivation. The first voluntary communes were established in the 17th century by European religious groups. The communal way of life was ideal for a community of immigrants in a new uncultivated world and acted as an efficient barrier against all kind of outside influence. The communal way of life coincided with the Protestant religious values and many of the religious groups were of Protestant origin.

Among the religious communes, the first significant one was the Quaker group of the 'Shakers'. The Shakers practised a communal way of life as a religious ideal and social justice ideal. The Shakers used their "exemplary life in their missionary campaign. The Shakers managed to establish a dozen of communal settlement until the end of the 18th century. They had a contribution in creating a positive atmosphere and tolerance towards the communes in America which lasted long after the Shakers' success eroded.

The Germans had their contribution to communal life in America through a group of separatists which established 'Harmony' in 1808. Harmony was a great economic success as well as a social innovation. Several other communities - Zohar, Amana and Bishop-Hill were established in the early 1800s, most of them very much like the Shakers. They were all successful and gained respect and appreciation. The beginning of the 19th century brought with it social and political upheaval in Europe and the USA. The religious communes were considerably political thinkers and utopians both in the US and Europe as an example of an alternative to the private property system. The Utopist Robert Owen arrived in the USA in 1825 and in his two years stay gave a push to the idea of communal life as a way of solving social problems. The communal religious experience, on top of the social stress created good atmosphere for the Owenist theories. Dozens of plans to solve social problems were developed and the communal way of life was considered a realistic one among them.

The socialist ideas of Fourier were brought to the US by Albert Brisbane. Fourierist centres were established in eastern USA in Boston, New-York, Philadelphia Cincinnati and Rochester with the idea a social reconstruction of society. In the years 1843 - 1846 some 40 Fourierist settlements were established and the Fourierist movement attracted tens of thousands of people. The Fourierist movement attracted people for the harmony achieved by voluntary way of life, religious pluralism and an emphasis on multi-disciplinary self development. The Fourierist appealed mainly to those hit by the recession which struck the USA in the second decade of the 19th century and deepend towards the mid 1800s. 'wandering Intellectuals' looked for a new way of life were also facinated by it. This was the climax of the commune culture influence on the American society. The Fourierism in America died when the reason for its success disappeared. The improvement of the economy and inner social and economic problem in the settlements cooled the massive enthusiasm of the public.

Most settlements in the mid 1800s were established by immigrants from Europe. The Oneida commune was the first original American commune. It was a religious community, founded in Vermont by J.H. Noyes who was also its spiritual leader. The

Oneida colony affected the family life by abolished monogamy and establishing a "group marriage". Persecuted by their neighbours they fled to upstate New-York were they became very successful. Towards the end of the 19th century more native American communes were established, most of them existed for a short period only. These communes were inspired, practically, by anything the human mind can think of: Spiritualism, mysticism, doomsday prophets, esoteric cosmology, theosophists, several Mormons groups, vegetarians, anarchists, free love followers and even religious women.

The most significant communal movement of today is the Hutterites. An Anabaptist group, the Hutterites arrived in America in 1874. With a long history of persecution for its religious beliefs and its communal way of life since its foundation in 1530. The Hutterites came to America from Russia to which they fled from Moravia. They established their first communal settlement in the prairies of Dakota in 1874. During the first 50 years of their life in America the Hutterites expanded to 19 communes and today they number more than 300 communities all over North America (Canada and the USA). Political disappointment of Socialist circles gave a temporary boost to the utopic idea of solving social problems through communal settlements. The most intensive activity was carried out by the Brotherhood of Co-operative Commonwealth (B.C.C.). The B.C.C. even managed to form a socialist party which made communal life its formal ideal.

### 10.2.2 Principles and Organisation

A basic common element through all existing communal communities in North America is their voluntarism. All members of the first generation joined voluntarily (contrary to the communes of the early 1600s, the Russian Kolhos and the Chinese communes) either out of religious or ideological convictions. The second generation received the commune as their home, their natural environment, without choosing it. Forces of education, tradition and probably habits, directed them towards the commune. However, the voluntary nature of the commune remained since no one was forced to stay.

Charles Nordhoff, an American journalist who researched the large communes in America in 1874 wrote in his book "The Communistic Societies of the United States"

that contrary to the general opinion he found the strongest base in ideology and not in religion. Dornhoff wrote: "...It is true that for a commune to exist harmoniously, it must be composed of persons who are of one mind upon some questions which to them shall appear so important as to make the place of a religion, if it is not essentially religion, though it need not be fanatically held".

Nordhoff pointed at "Icaria", found and headed by Etien Cabet as an example for a commune with no religions affinity but rather with a mutually agreed socialist doctrine. Having said that, it has to be remembered that the main drive for establishing communes in the new world for 150 years was the several Protestant denominations which wanted, all of them, to create a new and better society based on social justice.
References: Oved, 1988.

### 10.3 Jewish Communes

The first commune in Israel was established by the Bilu Association in 1882. BILU is the Hebrew acronym for Let's go to the house of Jacob, meaning let's go to Israel. After the BILU commune there have been 60 communes which started their way within urban areas. Some of these communes called themselves "Urban Kibbutz". Most of them were only temporary episodes. Some of them, like the Labour Legion had larger effect on their environment. However, the number of communes gives some impression of the popularity of the communal idea. Between 1919 and 1921 there was even a commune of the politicians. Some of the interesting communes are reviewed in this chapter.

#### 10.3.1 The BILU Commune

The first Jewish commune in the land of Israel was that of the BILU movement. BILU was founded by non-religious new settlers who wanted to immigrate to Israel and live there. Political tendencies at that days were numerous and ranged from the desire for an absolute Monarchy through Constitutional Monarchy to Presidential Republic. However, the main reason of the BILU people for coming to Israel was the Jewish - Zionist drive to be in a place "where we shall not be strangers... Where the people of Israel will revive... will, again, be a great free people as before" (Braslavski M. "The Memories of

Bilu" in Even Shoshan, 1963). Most of the members of the BILU group were socialists, tending to communism and they wanted to "implant" their socialism in their Zionism.

"This settlement will be a partnership belonging to all the group. Everybody will be able to claim ownership and nobody will be able to claim the tiniest piece. One treasury for the whole group, not the smallest private property including personal belongings brought from home or received by post - all belong to the group" (Braslavski in Even Shoshan, 1963).

The BILU group had a set of rules which cab be divided into external rules and internal rules. The external rules included the "political" platform of the group and summed up the purpose of the group. These were: settling in Israel, defending the Jewish society in it, eliminating the exploitation of people, promoting mutual help, equality, education, partnership and good neighbourhood. Several ideals were insisted upon in the internal set of rules:

1. Self sacrifice - anyone who comes to join should be willing to work for the ulterior ideal.
2. Desire for rural society and the fear from urbanisation - at least half of the group should always work the land.
3. Jewish work and society of equality - settlement will be based on self work (no cheap Arab labour) with equal payment to a members.
4. No private property for an initial period - after a service period the member can get marries and have private property. However, he has to leave the group (from the Avantguard).

Total sacrifice of private interest for a mutual interest in the BILU communal vision, however, is not for all the new society but for the Avantguard only. The Avantguard which should create an Utopia of productive Autarchic society of a rural nature (Yahav, 1990).

The Bilu group collapsed after the lack of food and illnesses caused internal quarrels. The "delegates" of the group who were the managers did not show any kind of personal

example. They were seen smoking when smoking was abandoned for economic reasons and an elitist group was created.

### 10.3.2 The Labour Legion

Three centres of Working Communes were established in the 1920s. Two of them were established in 1920 by immigrants of 'Hashomer Hatzair' movement. One of them was the basis for the first Kibbutz of the movement (see chapter 4.2). The third 'Labour Legion' was registered as a co-operative in 27.12.1923 by Yoseph Trumpeldor who, later on became a legend for his courage and sacrifice (Yahav, 1990).

The target of the Labour Legion was "The building of the country by creating a general commune of the Hebrew workers in the state of Israel". Apart from the communal life the Labour Legion is similar to Mondragon. The idea was to combine urban and rural life. The legion was to be based on geographic units. Each unit was to be independent in managing its own life, but subject to a central body in radical decisions. The Labour Legion tried to penetrate all areas of hired work and to replace the Arab labour in places like Tel-Aviv and Jaffa ports in general physical work. The Labour Legion developed with the massive building in Israel. Turnover was very high but the movement increased in number constantly. During the years 1920 - 1926 2,226 members joined the Labour Legion and 1,553 left. In 1927 the movement numbered 700 members in several urban sections.

The Labour Legion was based on total partnership. All income entered into a common treasury. The members lived in a commune and ate in public kitchen. No private property was allowed and all salaries were put in a common treasury. The community took care of all the members' needs out of the common treasury. In spite of several successful years (1925 1926 in particular) 1927 was a very tough year and the Labour Legion could not make ends meet. The group was declared bankrupt and a receiver was nominated. The people scattered around the country and the last group settled in the southern outskirts of Jerusalem and established the Kibbutz 'Ramat Rachel' which still exists.

Though the official reason for the collapse of the Labour Legion was economical, there were many ideological arguments which contributed significantly to the group's malfunctioning. The "right wing" members left the group and the remaining members could not solve the theoretical contradiction between the world communism and the national Israeli commune and found it hard to survive as an independent group. There were arguments on the role of the common treasury of all communes versus the independent treasuries of the individual groups. Many members were fed up with the temporary natured way of life and left to look for something permanent.

### 10.3.3 Hashomer

'Hashomer' (Hebrew for 'the guard) was a semi secret organisation founded in 1907. Its founders, young Russian Jewish immigrants with idea of the Russian revolution and 'work' as a value, believed in the Jewish revival by the Jewish people itself. The founders nurtured the idea of communal settlement in special places which will provide defence and guard for all Jewish settlements. All members were requested to spend one year as machinists. This made the members used to work in addition to guarding, and served the intention of conquering the machinists market. In some cases the guarding services which 'Hashomer' provided were on condition that the client will hire several machinists to work. The member of 'Hashomer', though loyal to their Jewishness thought that in order to mingle with the Arab environment it is necessary to adopt some of their habits. Hashomer members dressed like Arabs and tried to adopt some of the Arab Culture (Hendel, 1954).

## 10.4 Summary

Based on the communal ideology and on the roots described in parts 2 and 3 of this work grew the Kibbutz. Its early beginning seemed not much different from some other Jewish communes, yet it survived and kept growing. Unlike the other communes, the Kibbutz changed constantly and adapted itself to changing conditions. The next chapter describes the organisation structure and management in the Kibbutz.

## 11. Organisation and Management in the Kibbutz

In the last 30 years many researchers defined the organisational frame of the Kibbutz from different angles (Barkai, Rosner, Talmon, Britanica Encyclopaedia, Judaica Encyclopaedia and others). There is a lot in common to all the definitions and most of the main issues can be found in the definition of the Kibbutz movement itself in the "Kibbutz Code" published and amended by the Kibbutz movement in 1956:

"The kibbutz is a free association of people for the purpose of settlement, absorption, the maintenance of communal society based on common ownership of property, self labour, equality, and partnership in all area of production, consumption, and education. The Kibbutz sees itself as an inseparable part of the labour movement in Israel, as a pioneer of the national revival which aspires to build a socialist society in the state of Israel, based on elements of social and economical equality" (from the Kibbutz Code, 1956, in Leshem, 1988, translation by BBY).

The definition in the Kibbutz code formalises the social frame of the Kibbutz and it can be looked at as a 'formal organisation' which was built, deliberately, in order to fulfil specific goals. What started as a voluntary ideological movement developed to a formal organisation, comprised of many communities. Each community is both a productive organisation, an extended household, and a cultural and educational consuming unit. Barkai (1980) claims that the easiest way to understand the Kibbutz as an organisation is to look at it as an extended family in which Socialist Zionist ideology replaces the traditional blood ties.

Leviatan and Rosner (1980) suggest that the Kibbutz can be analysed according to the same parameters and variables used in research of productive organisations in western society.

"Findings from several studies support a statement that the pattern of relationship of major behavioural and organisational variables are similar in the setting to those in the western civilisation at large. Typical examples of studies are the international study of organisations conducted by Tannenboum and his colleagues (Tannenboum et al, 1974); the study of farm and industry in the Kibbutz (Eden and Leviatan 1980), Effects of hierarchical positions; opportunities, for need satisfaction and other variables (Leviatan, 1970); new findings from another international study dealing with industrial democracy

in which data of five other countries can be compared to Kibbutz data, and Macarov's study testing the Herzberg model in a Kibbutz setting" (Macarov, 1972).

The production side of the Kibbutz is the area of the third and fourth hypotheses which address management changes. The household aspect is addressed by the first and second hypotheses dealing with culture change. The whole organisation as one unit gives the opportunity to study the relationships and connections between the two areas, which is the problem this research addresses.

Several papers indicate the differences between the principles of the Kibbutz organisation and Weber's bureaucratic model. The differences in the nature of public positions summarised by Leshem (1988) are helpful in understanding the Kibbutz as an organisation:

**Kibbutz vs. Bureaucratic Organisation**

| Kibbutz Organisation | Bureaucratic Organisation |
|---|---|
| Rotation in public offices | Continuity in public offices |
| Flexible informal definition of rights and duties | strict impersonal definition of rights and duties |
| No formal definition of authority, all positions of equal value | Authority of any position is part of the hierarchy of authorities |
| Position holder elected with important role of character and personality | Position holders nominated according to objective qualifications |
| Public position is usually a part time job. | Public position is a full time job. |

**Table 11 - 1**

Pugh's matrix of 'Concentration of Authority and Structuring of Activity' is the nearest theory of the Aston group is the nearest one which describes the Kibbutz type of organisation (see chapter 8.1). Lessem's Metaphysical Domain also comes close to describe the Kibbutz organisation (see chapter 8.1). Neither of these theories was applied

to the Kibbutz. During the eighty years of the Kibbutz existance no organisation or management theory were developed.

Nowadays there is a tendency towards professional management. The issue of professionalism in management is explicitly addressed in the third hypothesis. Professionalism, however, was neither desired nor needed in the early stages of the Kibbutz. At that time the kibbutz was a relatively young organisation, the community was small and the members were young. The economy of the Kibbutz was simple and was based mainly on agriculture and wage labour in the primary branches of the pre-industrial society of the pre-state of Israel. Life style was frugal, low standard by necessity and choice. All surplus was invested in the development and growth of the common property. The common property was, and still is, called 'Meshek' which is the Hebrew word for 'farm'. The same word is used also for 'economy'. This may give an idea of the attitude of the founders to the communal assets.

Economic diversification, especially the introduction of industry, the growth and the heterogeneity of the Kibbutz population and the rising standard of living, resulted in a complex web of activities, tasks and functions in the Kibbutz administration. At first it was assumed that each community will be able to cope with the problems of organisation by learning from its own experience, or self-training by autodidactic methods. Often the cost of these experiments were sufficient to convince members of some Kibbutzim of the importance of learning 'management'. The acceptance of this idea was met with resistance not only in the kibbutz but in Israeli society as a whole. The general opinion was, as one three-star general who entered industrial management after retiring from a long army service said in a public lecture: "good managers, like good commanders are born not made". Schools of business administration were opened relatively late in Israeli universities and even after that it was assumed that a good officer, a good trade union activist or a kibbutz member are suitable for management and will be able to fulfil any managerial task - whether in the state administration, in industry or in service organisations. The consensus of the Kibbutz society and the general Israeli society over the issue of management professionalism is relevant to this research since the basic

assumption of the first hypothesis is that the kibbutz follows the urban society in its cultural patterns. When the Israeli economy was in the process of accepting conventional management education standards, the Kibbutz had an additional problem besides overcoming this 'managerial lore'. There was no kibbutz management theory. The question was whether managerial theory is as universal as mathematics or is it culture and context related. The kibbutz movement considered itself unique, therefore it could not accept modern management theories, which grew out of a capitalist industrial market system.

The solution would be in the development of a managerial theory adapted to the character of the collective economy. There were several experiments in this direction, some of them more ambitious trying to construct an integrated paradigm and its operational derivatives. Others were satisfied with 'corrections' or acceptance of selected parts of existing theories. The initial development of the Kibbutz managers was based on experience. Later the kibbutz federations developed their own schools of management and consulting services for the benefit of the individual communities. Neither of these institutions could solve the essential problem of the suitability of a predominantly American born organisational and managerial theory (reviewed chapters 8 and 9) to be adapted to communal management of the kibbutz type. Another question is the ability of outsiders to serve as consultants in general and especially in a complexity of a business which is also a community. Many of the recent changes in the Kibbutz as an organisation are clearly pointing to the efforts to come to term with this duality. May be now when management theories started to recognise the necessity to adjust management style to the norms, values and general culture of a society, the adaptation of management theory to the kibbutz culture will be more successful.

### 11.1 Kibbutz Organisational Structure

In the first days of the Kibbutz it was not possible to point at any kind of a formal or informal organisation structure. The efforts to reach a unique structure which includes all areas of the Kibbutz social and economic systems are the result of the move from the initial 'primal' domain to the rational domain. It seems that this move drove away the

metaphysical aspects of the Kibbutz management (on domains of management see chapter 8.1). However, from the pure planning aspect it can be considered an advancement. Still, there is no formal 'Organisation Chart' of the Kibbutz and the individuals in each position play a major role in making the structure. The organisation structure of the Kibbutz is, therefore, a result of multidimensional interpersonal relationships. It is a system in which the relationships between the position holders is only one aspect of a much more complicated system. These facts make it difficult to isolate the organisation structure from the complicated interpersonal system it is carried by and to define specific areas of activity, responsibility and authority.

There is, however, some oral tradition of the Kibbutz structure. Golomb (1966) claims that when trying to draw a systematic chart of all inter organisation information, authority, and responsibility lines from office holders through committees to the general organisational frame the result is a very complex 'cog web' which is not easily understood. This is the result of a compromise between two contradicting forces. One is the force of progress driven mainly by the economic and administrative aspects of the Kibbutz life. The other force is the force of communality and ideology. The administrative-economic force pushes to advance in technology and therefore enhances processes of differentiation and specialisation, processes which call for a rational, and even formal, organisation structure. The communal force adheres to informality and ideology calls for flexible non hierarchical organisation structure, claiming that not the position of the member is important but rather his personality and his character. Therefore it is not important whether the member is the general secretary or an unskilled worker. What is important is that he is devoted and loyal to the Kibbutz (Cohen, 1958).

The block diagram on the next page demonstrates a typical Kibbutz management structure. As mentioned above, it is not representative of the Kibbutz social structure or even any kind of hierarchical structure. The hierarchy presented in the diagram is more a hierarchy of information and responsibility than a hierarchy of seniority. The functions represented in the diagram are briefly discussed later. The discussion of these functions should be helpful in understanding the individual case studies, the role of similar

functions in each Kibbutz and the change in these roles during the individual Kibbutz history.

**typical kibbutz organisation structure**

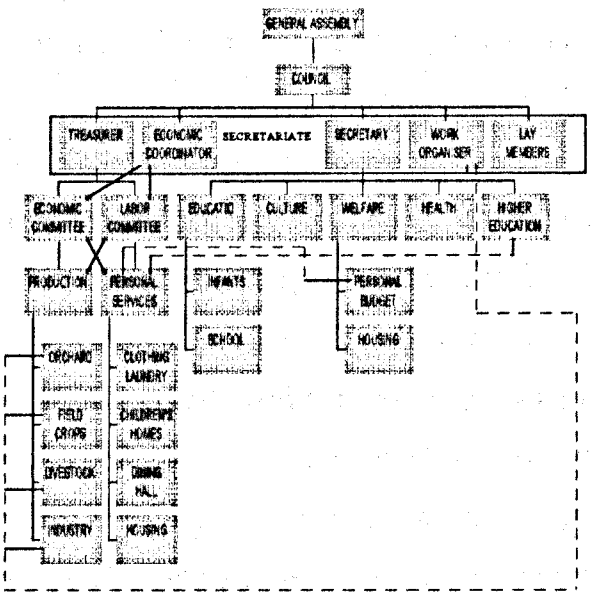



**Figure 11 - 1**

### 11.1.1 General assembly

The General Assembly institute is derived from the principle of Direct Democracy and is represented in the 'tree model (Part 1 Chapter 4). Unlike the commonly known political democracy which is based on delegates, Direct Democracy demands direct participation of all members in decision making. The general assembly is the supreme power and has the last word in every subject. In economic issues it acts as both board of directors and general share holders meeting and may be much more active and involved than both. In social issues it acts as the parliament of which any meeting has the power of a referendum. Each member has one vote in the general assembly and all votes are of equal value and equal power. The principle of division of authority which is very crucial in the delegates democracy is broken in the direct democracy since all members participate in the general assembly, including those who activate the assembly's decisions. All public

and external position holders are elected by the general assembly. 'Managers' in the Kibbutz do not have the authority to hire and fire. They can and are expected to give their recommendations to the general assembly. The assembly can reverse any decision made in any other institute of the kibbutz.

### 11.1.2 Committees

Practical and managerial day-to-day matters social as well as economical, are taken care of by committees which may have some autonomy. The committees are re-elected on a routine basis (Golomb and Katz, 1971). All committees are elected for a limited period. Rotation is not mandatory but there is a tendency to rotate positions among members. Even what seems to be a professional managerial job like factory manager or plantation manager is an elected position and in most cases subject to the rotation principle.

There is total participation of all members of the kibbutz in the management of the normal life of the community through the General Assembly. Most members are active in the committees on a rotational basis. Participation, therefore, is very high while specialisation tends to be rather low.

There are three types of committees (Etzioni, 1959):

i. Professional Committee - this is a committee in charge of a spesific production branch or specific resource. This committee is run, in most cases, by the member in charge of the specific branch or resource. The committee is expected to operate on professional basis only. It aims to plan the operation of the branch and to help solve all relevant problems.

ii. Functional Committee - this type of a committee is responsible for a function in the Kibbutz. Health committee, culture committee etc. It is possible that this committee is operating through professional committees and is this sense (only) is higher if measured in parliamentary measures.

iii Interdisciplinary Liaison Committees - there are three committees in this category, the Council (when it exists), the General Secretariat, and the Labour Committee. These committees have to make community wide considerations in any of its activities.

Following is a brief review of some of the committees in the Kibbutz. The third and fourth hypotheses are highly relevant to the changes in the operation and structure of the committees and in the authority and autonomy they exercise.

**The Council** - this is a parliamentary committee, a liaison between the secretariat and the general assembly. It is some kind of an 'expanded secretariat' which deals with issues not important enough to be brought to the General Assembly but important enough to demand a body larger than the secretariat. The Council is a body which exists only in some of the Kibbutzim.

**The secretariat** - this is the principal committee, consisted of the secretary, treasurer, and representatives of other committees. There are committees for education, cultural activities, economic planning, personal problems, and nominations. Each member of the Secretariat represents the interests of his committee. There are also lay members of the secretariat who represent the general interests of the Kibbutz.

The secretariat is the highest operative institute of the Kibbutz and reports only to the General Assembly (or to the Council when exists). The secretariat is responsible for the execution of the General Assembly policies and decisions in all areas. In this respect the Secretariat has higher authority than any other committee or position holder. The Secretariat also has the authority to control and supervise the operation of any other institute in the Kibbutz. Etziony emphasises the integrative nature of the Secretariat work and its collective orientation.

**The Labour Committee** - This committee, according to Etzioni (1959), is the bridge between the social area and the work area. In edition it is the functional committee dealing with human resources. The committee plans the use of human resources in the Kibbutz and is guided by two main criteria. The economic needs and the social needs. These two, sometimes contradicting needs, are represented in the committee by delegates of the contradicting interests. The committee is run by the 'Work Organiser' who represents the workload demands. Members of social committees such as the

welfare committee and the culture committee take part in the labour committee and represent social interests. It has to be mentioned that the fact that the committee is run by the Work Organiser is only a minor advantage to the economic aspect, since decisions are taken by the committee and not by the chairman. The Work Organiser has some autonomy in day to day decisions, since he is responsible for day to day resource allocation.

### 11.1.3 Key Managerial and Public Positions

It has to be noted that no office in the Kibbutz bears the title of 'manager' with the exception of some positions in industry. In spite of that and of the fact that any hierarchy is very loose since members are moving from one position to another regardless of its scope of responsibility, it is possible to identify three levels of positions:

i. low level positions - Committee member. This refers to functional committees.

ii. medium level - committee chairpersons, branch co-ordinators, Secretariat members, Work Organiser.

iii. high level - large branches co-ordinators (factory managers), and central public offices such as Treasurer, Economic Co-ordinator, and Secretary.

Each member of the kibbutz can be a candidate to any public office and if voted for in the assembly will have the position for one period (usually 3 years). All public positions are manned by people elected by the assembly. The three traditional top positions in the general management of the kibbutz are:

i. The kibbutz General Secretary - responsible for the social and all non-economical activities of the kibbutz. The secretary is responsible for everything which is not defined as somebody else's duty. The secretary is the connection between all committees and he is the co-ordinator of practically everything that is going on. If I may use President Harry Truman's words - the secretary's office is where the buck stops.

ii. The Economic Co-ordinator - responsible for all the economic activities of the kibbutz. The fact that the social managerial position is more important than the

economic managerial position demonstrates the importance of the social aspect of life in the Kibbutz.

iii. The Work Organiser - responsible for the allocation of all resources (human as well as technical) to the different branches.

### 11.2 Management in the Kibbutz

At first sight management in the kibbutz appears to be a total anarchy floating in a somewhat metaphysical atmosphere. A mixture of a primal domain without most of the danger of dictatorship and with some advantages of the metaphysical domain. Everyone can be a manager, everybody is a manager in his own area and every member of the community is a member of the board. This was the management setting in the early days of the kibbutz. At that time the magnitude and complication of all activities were such that not a lot of professional management was necessary to effectively carry on. Later, the kibbutz movement developed its own professional education and consulting services for the benefit of the individual communities. The path to managerial position, however, is unchanged. Managers are elected by the General Assembly, then they have the opportunity to get a very concise training course, in most cases specific to their position.

In the small kibbutz, where every member knows all the other members personally, the opportunity for the primal manager to take the lead is obvious. This situation, in other setting, is very dangerous and can easily lead, especially in a totalitarian democracy, to the upbringing of a charismatic leader who, in the name of the movement values and "for the benefit of the community" will turn the community to a dictatorship. In 270 Kibbutzim over eighty five years of the Kibbutz movement this has not been known to have happened. The reason is probably the voluntary nature of the Kibbutz. The Kibbutz forgave all kind of imposing its own law on its members and there is no means of forcing anyone to do anything. The only forces are voluntary ones such as voluntarism and the pressure of public opinion.

Martin Buber, the German Jewish philosopher, claimed that the pragmatic utopia is connected to the fact that in the beginning, the kibbutz lacked any kind of hard

organisation structure which dictates a final character. The infrastructure, therefore, remained open and flexible. This, while endanger the unique structure of the kibbutz, prevented the growth of tyrannical institutes and authoritative leaders that in the name of representing the movement values could apply total supremacy over all movement members.

The kibbutz was not susceptible to being totally controlled by a primal leader. This does not mean that primal leaders did not have the opportunity to occupy central positions and have significant influence in the community. The developing industry and the growing complication of the activities in the community itself combined with the awareness of the whole kibbutz movement to education needs of position holders pushed the whole kibbutz movement into the developmental stage. The primal leader was very likely to be elected to position. He might even stay there as long as he performs and presents results. Unlike the early days, which stand for the primal stage, he had the opportunity, and in most cases even directed to attend some relevant training.

The kibbutz is not considered an innovator in management. The primal stage was very long and until today we can find non-professional managers in many kibbutzim. The kibbutz, however, stepped into the metaphysical domain when the big American companies didn't even dream about it. Total equality enables a member of the kibbutz to bring any subject to the assembly. There is a tendency to support ideas of members if they are not acceding reasonable limits. In kibbutz Amiad in the Upper Galilee one of the members renovated an old wine press and had an idea of producing wines from kiwi which the Kibbutz grows in large quantities. The Kibbutz supported his idea and enabled him to bring it to limited commercial scale. In the second year he broke even. In the third year he returned all the investment and now the kibbutz is making profit on something that seemed to be a crazy (if not stupid) idea of one person. In Kfar Bloom (another kibbutz up the north) there is a musical festival every summer. There is not much profit in it but the contribution to the culture richness of the kibbutz and its environment is enormous.

Studying the organisation structure of the Kibbutz does not reflect the nature of Kibbutz management. As far as management in the kibbutz industry, the same rules are applied. Every member of the kibbutz is eligible to be a candidate to any managerial position and if elected by the General Assembly will have the position. However, this is where management in the kibbutz began to clash with basic principle of the community. Following is a brief discussion of Kibbutz management according to the Kibbutz Tree Model.

**The Traditional Kibbutz Tree Model**

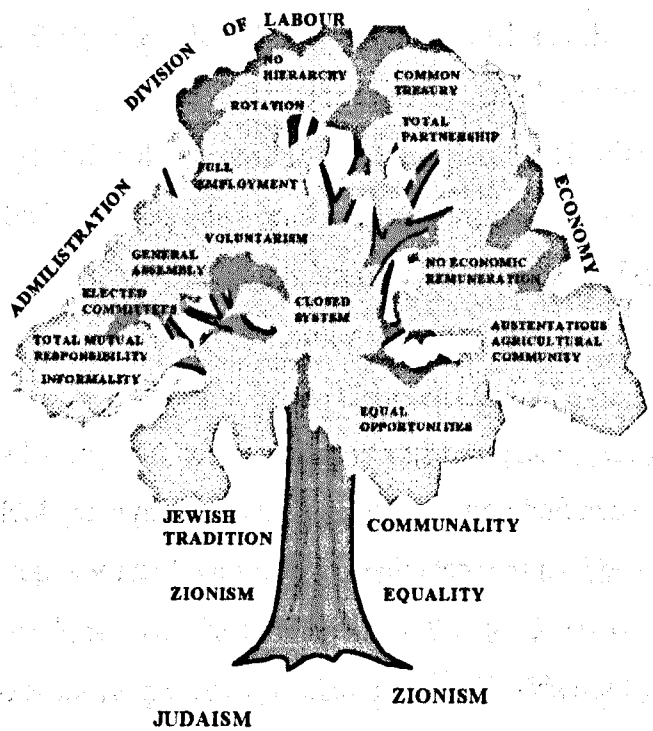



**Figure 11 - 2**

### 11.2.1 Administration

The Kibbutz administration and the role of the General Assembly in particular are addressed by the third hypothesis. The decision making process is one of the processes undergoing significant changes.

#### 11.2.1.1 General Assembly

The role of the General Assembly was discussed in the previous section. It is, however, important to indicate its role as the top administrative institute of the Kibbutz. All types

of decisions, including decisions which can be defined as managerial decisions are either made by the General Assembly or made by its authorisation. The General Assembly acts as the Board of Directors. Traditionally the General Assembly is much more involved in practical matters than any board of directors.

#### 11.2.1.2 Elected Committees

All managerial activities is supervised by committees. The members of the committees are elected by the General Assembly regardless of their qualifications. It may happen that the Assembly chooses the right person for a specific committee and considers his qualifications and experience. However, there are no guidelines and anybody can be a candidate. On the other hand, the committee is comprised of people who represent the relevant interests for the subject the committee is responsible for. This is to say that while there is no predetermined selection of the people involved in the committees, there is some logical selection of the positions interests represented in the committees.

#### 11.2.1.3 Equal Opportunities

This guideline is a derivative of the Equality value. It does not relate to the Organisation Structure but rather more to practical activities. Beyond the economical equality there is the equality in opportunities. All members can be candidates for any position. Nomination is by the general assembly regardless of any status, education, or previous experience (Golomb and Katz, 1971). The equal opportunities are also applicable for non economic issues like a travelling vacation or a long leave for academic studies to which there is a waiting list. The reflection of the equal opportunities principle on the administration is that all members, which form the human resource of the Kibbutz, are potential candidates for a public position, chairperson of a committee or even the General Secretary of the Kibbutz.

#### 11.2.1.4 Informality

There is no formal hierarchy. Lines of information and authority are informal as well. Most administrative issues like services given by one branch to the other are all taken care off in an informal manner. When a problem arises, the work organiser is involved

and solves the problem. More serious conflict of interests is discussed in the relevant committee and even in the General Assembly. There is no superiority of one position over another like in a normal hierarchical organisation.

#### 11.2.1.5 Mutual Responsibility

The Kibbutz was founded as an utopia, based on ideological, metaphysical, values. All its root values are ideological and not materialistic. No material compensation was considered as proper, therefore the Kibbutz should provide **all** the needs of its members unconditionally. The slogan (taken from Marx) which demonstrated it best is "to each according to his needs, from each according to his abilities". In practice the mutual responsibility is expressed in the most comprehensive welfare system for the members and their children. The Mutual Responsibility was confirmed in congresses of the different Kibbutz federations. In 1964, in the fourth congress of the Kvutzot and Kibbutzim Union it was reconfirmed that "The influence of the Kvutza on its environment is in the power of its collective creation, the power of an example of a more decent way of life, life of more equality and more mutual responsibility among people..." (Rosner, Shur, Chizik and Avnat, 1989).

### 11.2.2 Economic Management

The economic and financial management of the Kibbutz is also influenced by its principles. The principles of Communality and Equality which are placed in the trunk of the Kibbutz tree model are expressed in certain concepts of management, which are represented in the tree top. The economic management is directly addressed by the fourth hypothesis dealing with investment policy. The third hypotheses (decision making process) is also highly relevant to any economic activity which involves decision making.

#### 11.2.2.1 Common Treasury

Total equality and partnership are interpreted in the prohibition of any kind of private or sectarian property or treasury. All finance, therefore, are kept in a central common treasury. No private or sectarian bank accounts are allowed and all expenses are coming from the central treasury.

The Kibbutz is self sufficient and its economic growth is limited to its own human resources. Since hired labour is considered exploitation it is not permitted. The problem of hired labour became significant in the early thirties in the small Kvutzot in the Jordan Valley, which needed help in completing some large irrigation projects. Until then self labour was part of the Kibbutz way of life and Kibbutzim stayed away from exploiting or being exploited. Hired labour, therefore, was considered a contradiction to the Kibbutz ideology. The irrigation project raised a problem which rose several time during the history of the Kibbutz - hired labour. In the early thirties the Kibbutz federation permitted to hire external workers for specific development projects and only for them. In other cases the Kibbutz federations decided to slow down expansion rate in order not to hire external workers (Nir, 1984).

#### 11.2.2.2 Common Ownership

The Kibbutz is "owned" by all its members equally as long as they remain members of the Kibbutz. The general assembly is both the Board of the Kibbutz and its Shareholders.

Partnership has aspects of social justice as well as aspects of efficient management. The Basque Collective Mondragon, which is not a commune, promotes partnership for social justice reasons but discovered that it is a motivator for efficient management and work (see chapter 10 on collectives and communes). In some American companies some level of partnership, through workers ownership, is exercised in order to increase workers' motivation. The purpose of the Kibbutz movement, however, is beyond the single community and even beyond the boundaries of the movement. The Kibbutz movement, in its early days, aspired to contribute to a socially just society in all the state of Israel and in the whole world (Nir, 1984).

In spite of the Kibbutz being a partnership, it is indivisible. A new member does not have to "buy" a share in the collective, neither does he get anything when he leaves. Again, some changes are seen here. Increasing the standard of living of the individual is not a prime goal of the kibbutz and it comes after education for the young generation, moral and economic strength of the community and other issues of total community interest.

This guarantees the existence of the commune as an entity regardless of any number of members. Though the members 'own' the assets and property of the Kibbutz by being full 'partners' in the commune, they can not sell or take with them any part of their equity when they leave. Nor is a new member expected to buy his share in the commune when he joins.

### 11.2.3 Division of Labour

There is a regular transformation of work force from branch to branch according to the community needs. Work, in general, is done in rotation with points of specialisation. Community services such as serving in the common dining hall is a service duty by rotation. Every member of the community has to participate in the rotation duty. You can find, especially in the established kibbutzim, a government member or the previous military chief of staff serving salad in the dining hall or baby-sitting in the common children home. Though the subject of human resources management is not directly addressed by any of the hypotheses, all the items to be reviewed are directly or indirectly relevant to the decision making process (third hypothesis) or to the cultural issue of the value of work (second hypothesis).

#### 11.2.3.1 Closed System

The kibbutz is based on the principle of self supported labour. Very few people are employed by the kibbutz. These are usually professionals and are mostly hired as subcontractors. Hired labour, in general, is considered evil and is to be avoided. Funnily enough, the first "crack" in the "no hired labour" principle came on ideological background. In 1952, when hundreds of thousands of new immigrants came to Israel, survivors of the Holocaust and refugees from Arab countries lived in tents in provisory camps without any work opportunities. David Ben-Gurion, the first Prime-minister of Israel and the leader of the new born State called the Kibbutzim to hire the new immigrants for work. When the Kibbutz movement refused, from ideological reasons, Ben-Gurion held a speech and said "I am astonished and ashamed..." of the Kibbutz movement "...because the strong and pioneering 'Rebirth Movement' refuses to take part in the gigantic effort of absorbing Jewish refugees and in building the country. To

provide more work and to feed more people..." The Kibbutz movement gave up and started to hire help. The new citizens were unprepared to join communal life and the whole equilibrium between social and economic structure was destroyed.

#### 11.2.3.2 Full Employment

The Kibbutz is obligated to provide employment to all its members. This principle may not make much difference in a community of total mutual responsibility and full provision of needs. If, however, the Kibbutz decides to provide only basic needs and in return compensate its members for their contribution, the obligation to provide the opportunity to work for all may prove very central in the Kibbutz life. Having said that, the basic assumption in the traditional Kibbutz is that work is a value and working is a privilege which every Kibbutz member is eligible for.

#### 11.2.3.3 No Economic Remuneration

Performance of workers depend entirely on their own judgement and conscience. Loyal to the motto "Each according to his ability, to each according to his needs" no economic remuneration is given to any of the members. This principle takes from management the main power of rewarding the worker and leaves compensation to self esteem, recognition and other metaphysical compensation.

#### 11.2.3.4 Voluntarism

Voluntarism is what differentiates the Kibbutz from the Chinese communes and the soviet Kolhoz. Voluntarism expresses also the attitude of the Kibbutz towards its environment. The Kibbutz, voluntarily, allocates some of its resources to 'non-economic' activities in order to contribute to the Zionist operation and to the development of a socially just society in Israel.

The Kibbutz is a totally voluntary community. No formal legal obligations (or privileges) are involved. The Kibbutz gave up all types of formal and legal ways of forcing its members to any kind of behaviour. The only power forcing members to do their work properly and to surrender their will to that of the public interest is the belief in the mutual

cause and the pressure of public opinion. Public position holders as well as managers of economic branches have no power to force their authority on other members. Authority is totally informal, except that of the General Assembly.

#### 11.2.3.5 Rotation

The Rotation principle in which key positions are filled for a limited period of time is perceived as a derivative of the principles of equal opportunities and partnership while the way of electing people is derived from the direct democracy. The rotation means to ensure that an as large number as possible of Kibbutz members have the opportunity to participate in key positions and that influence in the active day to day life is widely diversified. The rotation principle also eliminates the detachment of the movement's activists from the Kibbutz population they represent (Rosner, Shur, Chizik and Avnat, 1989).

#### 11.2.3.6 No Hierarchy

All jobs are equally important and equally valued. Rotation eliminates the bureaucratic principle of advancement in the organisation through the echelons. The nomination of people by the general assembly, and the equal voting rights in any important matter, eliminates the hierarchy completely (Golomb and Katz, 1971).

### 11.3 Summary

The above presentation is of a typical traditional Kibbutz. There were deviations from the general rule. One such deviation is described in the cases studies of Sdot Yam. It is shown that the deviation is related to one area - in the case of Sdot Yam the use of the proximity to the sea for fishing and sea leisure operations instead of agriculture - but does not affect the other practical principles. The development and the cultural changes of the Kibbutz movement brought with it some common deviations from the traditional model. These are the changes to be discussed in the next part.

## PART 5 - THE FIELD RESEARCH

This part of the work includes research directly related to the hypotheses. Significant parts of the previous chapters involved a thorough research as well, however, its aim was to present knowledge relevant to research subject but it did not focus directly on the hypotheses.

Chapter 12 explains the data gathering methods and the way in which these data were processed and analysed. 12.1 includes quantitative data for the whole Kibbutz Movement. 12.2. brings background data of the five case studies and of the interviewees. In chapter 13 the hypotheses are tested, using the quantitative data and the case studies. In each case I interviewed at least four representative informants. The detailed interviews are part of the case data base and are kept on recorded tapes. The interviews were summarised and the ideas brought up by the informants sorted to their immanent categories. After verifying that the immanent categories are common to all I sorted the ideas into basic clusters relevant to the hypotheses. Each hypothesis and sub-hypothesis is tested through all five cases from a comparative perspective.

### 12. Data gathering and Processing

The quantitative data of the whole Kibbutz movement was obtained from reports of the Israel Bureau of Statistics and from publications of the United Kibbutz Movement. The data on the individual Kibbutzim was obtained from internal publications and documents of the respective Kibbutz and personal interviews with Kibbutz members. The processing of the quantitative data involved computing and rearranging the data. The qualitative data obtained through interviews were processed to be included in the case study of each Kibbutz. The way in which the data were handled is elaborated in section 12.2, in the foreword to the presentation of the Case Studies.

Chapter 12-1 brings pure quantitative data. This part of is obviously positivistic and includes measurable, quantitative data of the Kibbutz movement. The data are referred to later in the analysis and in the concluding chapters.

## 12.1 Quantitative data

The quantitative data are brought here with a brief discussion of their relevance to the hypotheses. The data are used in chapter 13 enhancing the interpretation of the case studies and as part of the basis for the conclusions in chapter 14. The data are represented in graphic form. It can be argued that since the Case Studies are presented in a separate chapter it should include the quantitative data as well. This may be correct. However, the quantitative data are straightforward and concise, contrary to the case studies which are complex and lengthy. Therefore, I chose to present the quantitative data here and the case studies in a separate chapter. The data presented here will be referred to in the interpretation of the case studies and in the discussion chapter.

### 12.1.1 The Growth of the Kibbutz movement

The growth of the Kibbutz movement both in number of Kibbutzim and in population is shown in Figure 12-1 and 12-2. The most drastic growth of the Kibbutz movement occurred in the forties, during which more than 100 new Kibbutzim were built and nearly 40,000 new members joined the movement. Another 'jump' occurred in the seventies. Since then the Kibbutz population is growing albeit very slowly.

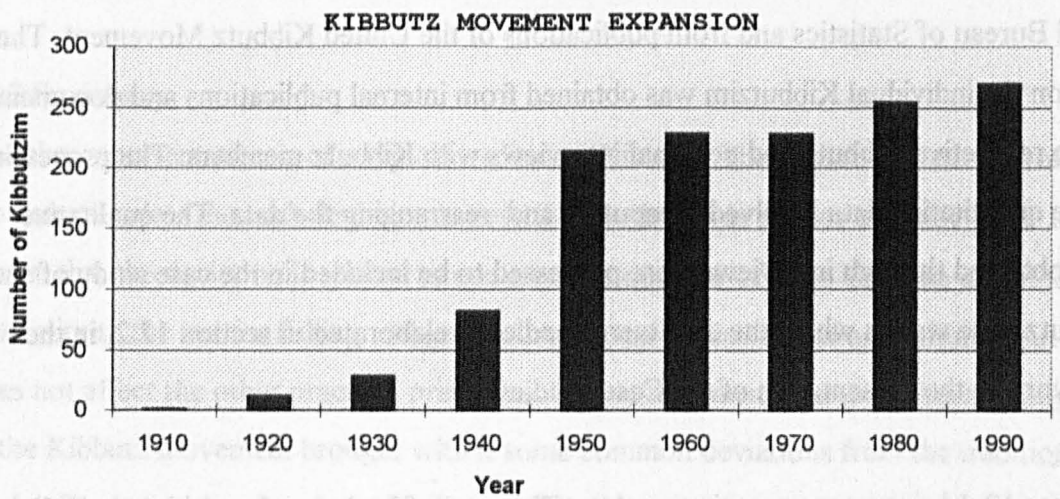



**Figure 12 - 1**

* In 1992 (not shown in the graph) the population has decreased by 1,300 people in spite of 1,400 births.

The growth of the Kibbutz population lagged behind that of the Israeli population. Although expanding, the proportion of the Kibbutz in the Israeli population is constantly decreasing.

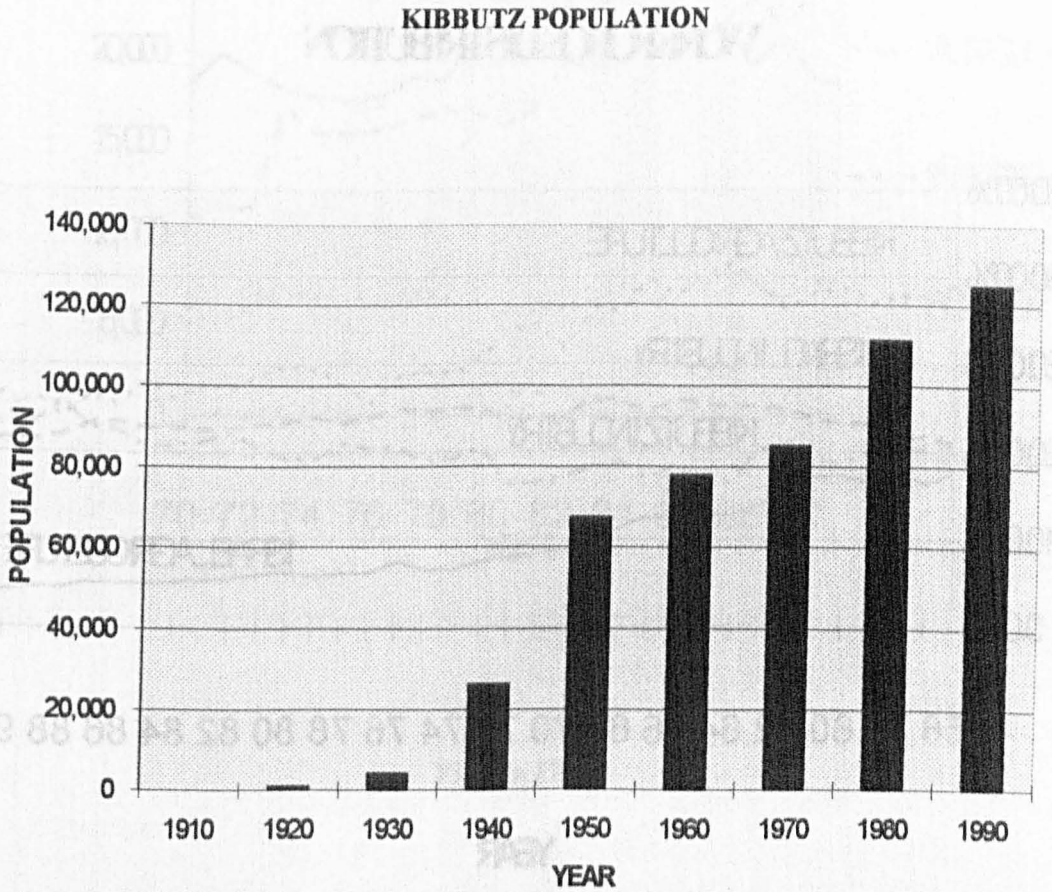



**Figure 12 - 2**

### 12.1.2 Occupational Distribution in the Kibbutz Movement

The kibbutz was founded as an agricultural community with the intention of providing its own inner services. The graph below shows that the structure of the Kibbutz economy is different from that of Israel. In spite of the decreasing number of agricultural workers in the Kibbutz their proportion in the Kibbutz work force is still six times higher than of Israel (24% vs. 4%). During the years the Kibbutz turned more and more to industry and the number and rate of industrial workers increased and their proportion reached more

than 25% of the Kibbutz work force compared to 23% in the Israeli work force - see Figure 12-3.

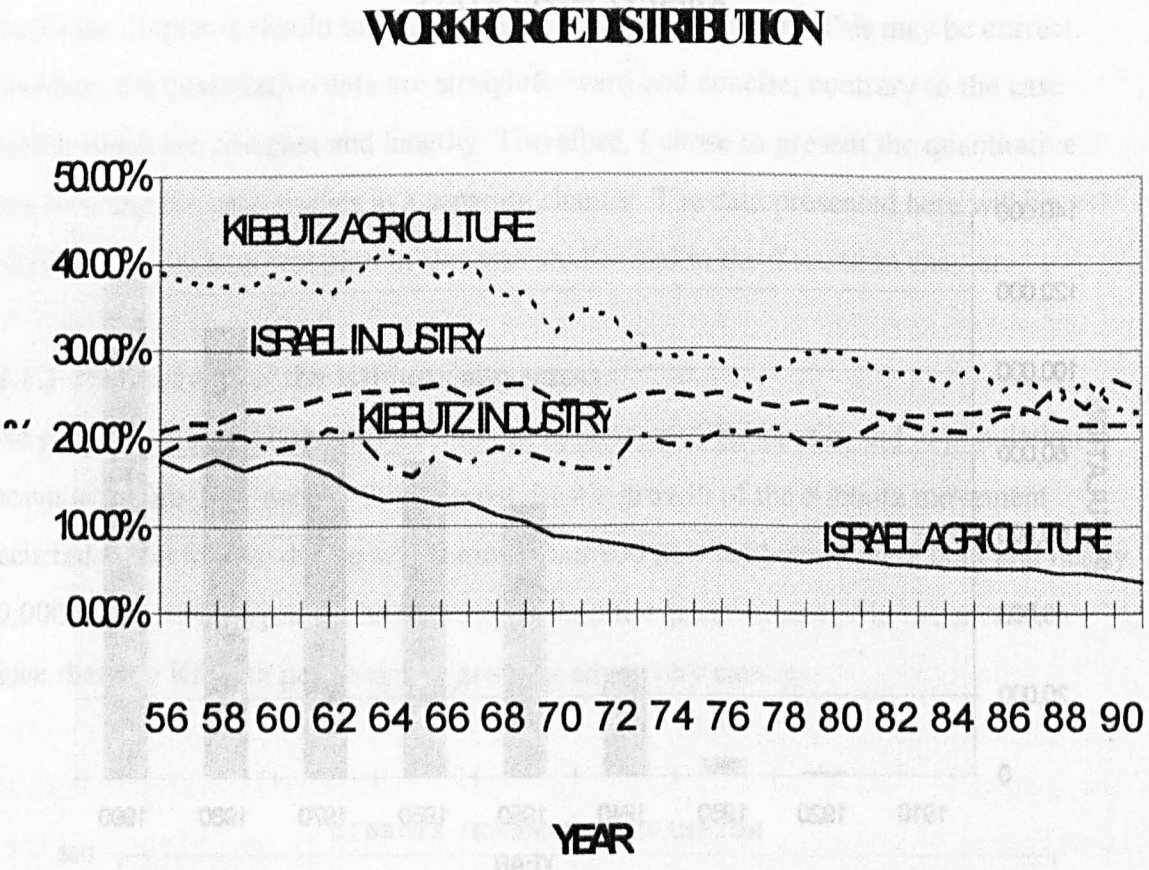



**Figure 12 - 3**

The occupation of Kibbutz members is not limited to Industry and agriculture. In the last several years more and more Kibbutzim invested in the leisure industry. While agriculture occupy fewer and fewer people and manufacturing industry occupying more and more, the leisure industry is slowly but persistently gaining power, as shown in Figure 12-4.

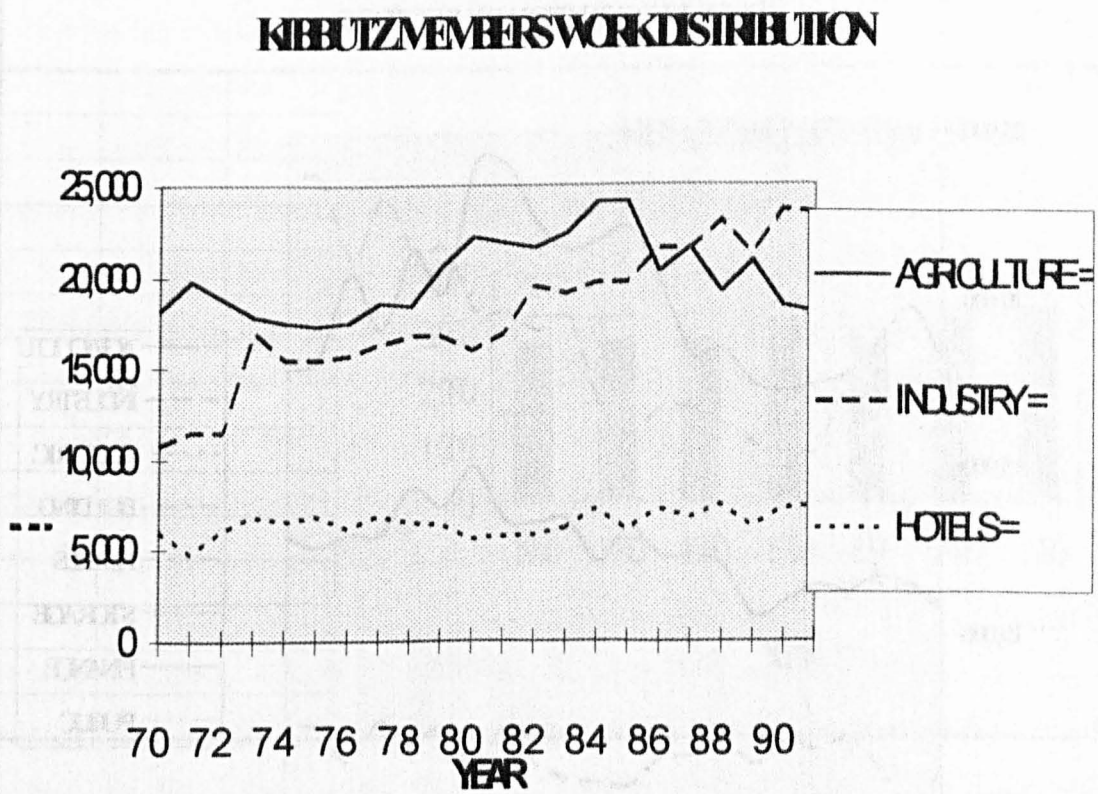



**Figure 12 - 4**

Inner services always took a significant share of the Kibbutz work force. In the last several years some of the inner services were transferred to the family. This led to women's eligibility to a shorter working day. In addition to that, in most Kibbutzim teachers are now considered outside workers and not inner services as before. These two facts are reflected in the slightly reduced number of inner services workers and does not mean reduction of the level of the inner services. Lately the occupational pattern in the Kibbutz movement became very diversified and Kibbutz members created new sectors with significant number of workers, as shown in Figure 12-5.

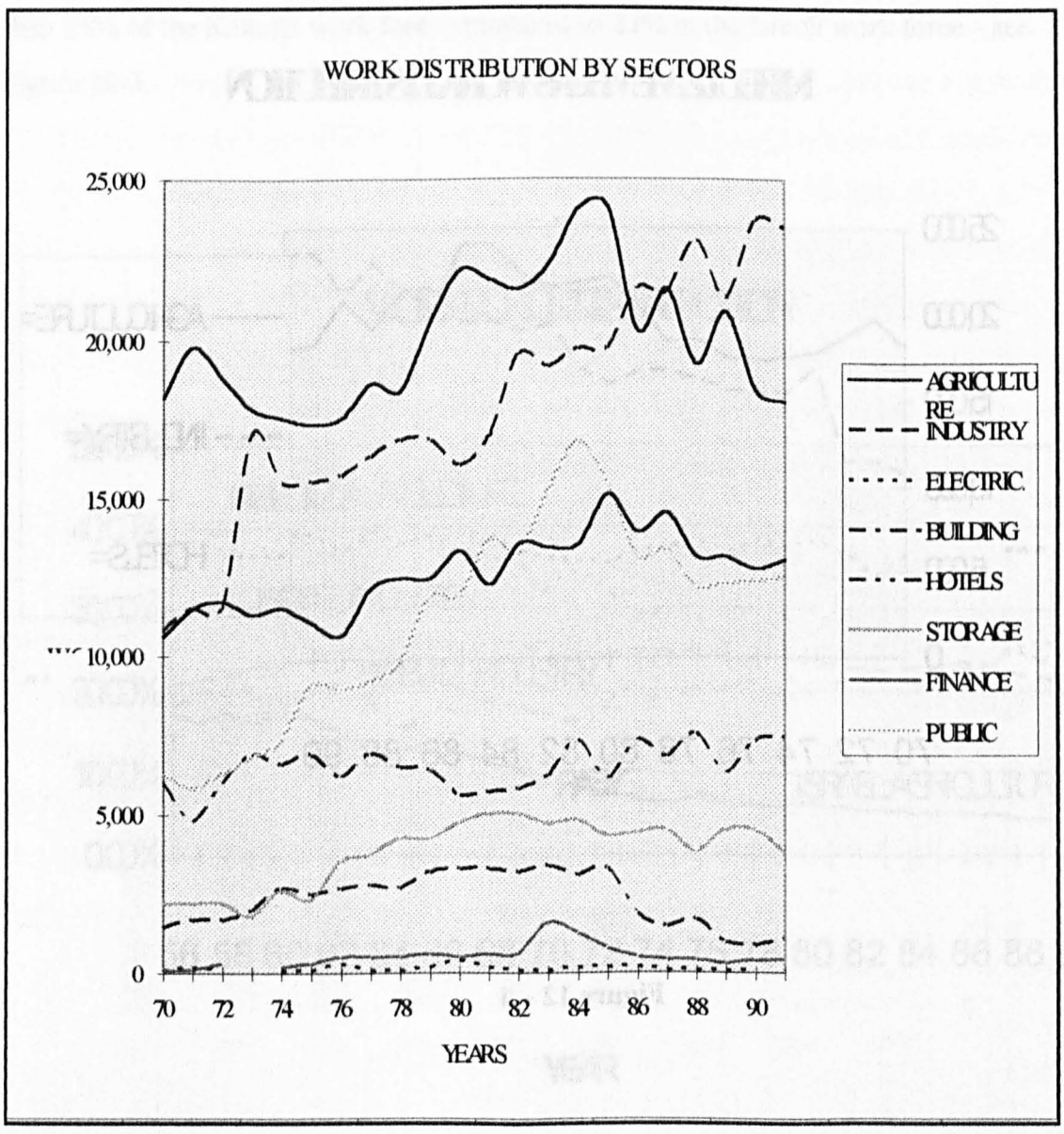



**Figure 12 - 5**

### 12.1.3 Kibbutz Industry

While total sales of Kibbutz industry is generally increasing, (1989 was a weak year after a very strong 1988) the export is now declining as can be seen in Figure 12-6. Investments in the Kibbutz industry is declining but there is a slight recovery in the nineties after a drastic cut of investments in the late eighties. Industry became the main work provider in the mid eighties.

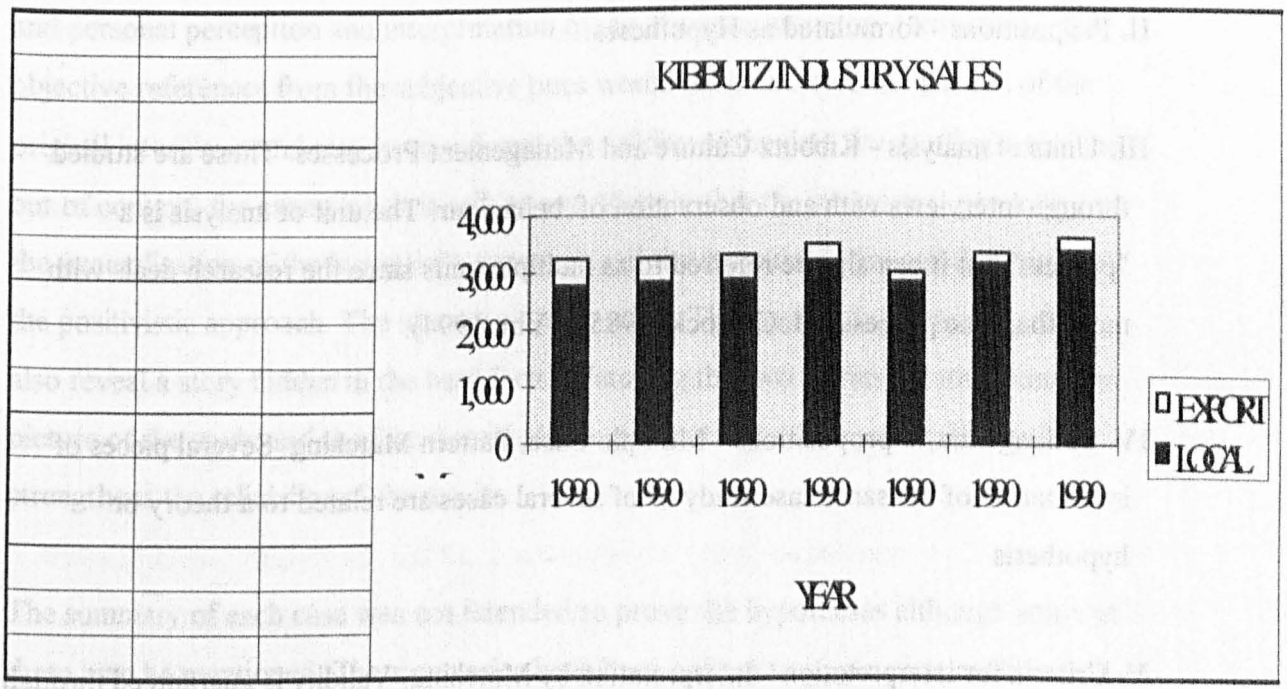



**Figure 12 - 6**

## 12.2 The Case Studies

Since the purpose of this research is to study change processes in the whole Kibbutz movement a multiple case study approach is adopted. This means that the analysis considers the data from all the cases. The fact that the data from all the cases support the hypotheses adds to the validity of the data and adds to its reliability. The cases address the issues of culture change and management pattern change. The changes selected for discussion are those designated by the interviewees as important, controversial, or crucial for the future development of the Kibbutz. Each change is meaningful and relevant to the Kibbutz in question as each case meaningful in itself besides being part of the sum of all cases. The multiple case approach makes the generalisation possible and reliable. In preparing the cases I followed the principles of qualitative research as explained in chapter 2:

I. Study Questions - emphasising the 'how' and 'why' rather than 'how much'.

II. Propositions - formulated as Hypotheses.

III. Units of analysis - Kibbutz Culture and Management Processes. These are studied through interviews with and observation of behaviour. The unit of analysis is a "process" but it can also be referred to as multiple units since the research deals with more than one process (McClintock, 1985 in Yin, 1994).

IV. Linking data to propositions - Multiple Case, Pattern Matching. Several pieces of information of the same case study or of several cases are related to a theory or hypothesis.

V. Criteria for interpretation - Interpretation by Matching. Validity is guaranteed through the following:

i. Correct operational measures for the study of Multiple Case and Pattern Matching, as detailed in the methodological chapter .

ii. Causal relationship established through the analysis of the qualitative data.

iii. Generalisation based on Pattern Matching across the case studies.

iv. Repeatability as such is irrelevant, however getting similar results across the cases and the types of data should provide reliability.

The case studies as presented in this chapter are the basis for the testing of the hypotheses in chapter 13. The description and information given in the case studies were obtained from internal publications of the relevant Kibbutzim as well as from stories collected at various occasions of my visits to each Kibbutz. The case presentations do not include analyses of interviews instead the interviews are summarised and the content is sorted and categorised according to the hypotheses. In a research with combined approaches it may be argued that it is advisable to separate the positivistic from the humanistic part. This was done in the obviously positivistic approach of the chapters reserved for data collected from documents and statistics, some of these obtained from

interviewees who served as informants. It did not seem right to break up the interviews which were the humanistic part of the research intended to expose the thoughts, feelings, and personal perception and interpretation of the changing situation. Extraction g the objective references from the subjective ones would have distorted the pattern of the original interviews and may have reduced the validity of the data (by quoting a sentence out of context, for example). It is safe to say, though, that the interviews, generally, are the generalisation of the humanistic approach and the measurable general data support the positivistic approach. The interviews tell a story. The general data may, hopefully, also reveal a story hidden in the hard facts. Matching the two stories create a complete picture of the study and the fact that this is the product of two research philosophies strengthens the reliability of the results.

The summary of each case was not intended to prove the hypotheses although some of these may be mentioned. The summaries have been written to give a picture of each case for itself. The discussion, the interpretation, the proving of the hypotheses and conclusion are in chapter 14 and 15.

### 12.2.1 The Case Data Base

The Case Data Base is the collection of data used for the case analysis: documents, publications and several hours of recorded interviews. The interviews being rather long could not be quoted in full in this work, nor is it important to read them word by word. However, they are the backbone of the research and the conclusions are heavily based on them. Interviewees are, therefore, quoted through the analysis whenever relevant.

The Research Data Base includes:

I. General information on each Kibbutz.

II. Profile of the informants.

III. Reference to other information sources:

i. Documents.

ii. Archive Records.

iii. Interviews. Focused open ended interview, preceded by a preliminary meeting explaining the nature of the research.

iv. Direct observation. I visited several times each site to obtain first hand impressions..

v. Participant observation during several years of living in the Kibbutz.

There are five cases. Three are of the main stream - the United Kibbutz Movement (TAKAM). The other two are from the smaller movements, the Religious Kibbutz Movement and the more politically leftist 'Ha'Shomer Ha'Tzair (see chapter 4). The interviews were conducted as open conversations. I did not ask directly similarly formulated questions but rather let the conversation flow with some promoting in the direction of the issues I was interested.. All the interviews were conducted according to similar patterns with differences evolving from the personalities and characters of the individuals. No attempt was made to limit the conversation, however, guiding questions were asked during the interview. More often than not the conversation deviated to personal matters. These, in my opinion, are of great importance since many activities are motivated by personal interests and the change process affects the personal life of the individuals involved.

The interviews were analysed and sorted according to issues. I discovered that, in spite of the open nature of the interviews, the same issues emerged in all interviews, though not in identical depth and with some variations. This was, probably, due to the embedded nature of the open interview which, though open, directed the informants to the relevant issues. The list of issues were then shortened to match the four main hypotheses. The important issue of the Kibbutz social structure which, to my opinion, is the key to the whole Kibbutz phenomenon was divided and merged with all the four issues (hypotheses) as I saw fit within the specific context. Once the material was concentrated and classified into topics directly relevant to the hypotheses, the analysis of the text could

be done. The highlights of the interviews bring the processed information from all interviews with as little redundancies as possible and with no interpretations.
I find it necessary to stress that before creating the case data base a preliminary research was made in Kibbutzim which were not included in the case studies. The purpose of the preliminary research was to study the problems and to gain some knowledge before approaching the cases. The preliminary research support the case studies and, while it is not included in this work and was less thorough, it adds to the validity and reliability of the data.

The names of some of the Kibbutzim researched in the preliminary research:
Ma'agan; Gonnen; Ramat-Rachel; Ein-Zivan; Ashdot-Ya'acov; Hagoshrim; Ma'abarot; Yotvata.

### 12.2.2 The Case Study Presentation

Yin (1992) claims that the weakest part of a case study is its report. There is always the question of what to present and how to present it. Presenting all the material is enormously long while a too concise presentation may hide some important facts from the reader.

Miles and Huberman refer to the term 'Case Display' (Miles and Huberman, 1994). By Case Display Miles and Huberman mean a visual format that presents information systematically to enable the reader to draw valid conclusions. Mulhauser (in Denzin and Lincoln, 1994) strongly criticises the presentation of long case reports. While a long case report is useless for the executive, it is also very cumbersome and a weak display of the case. An extended unreduced text is sequential and very difficult to analyse. The case display should, according to Mulhouser, describe the setting, the people, and the flow of events over time. It should also provide the reader with everything necessary to analyse the case.

The case reports presented in chapter 13, therefore, aim to present sufficient information for the reader to understand the specific Kibbutz, based on the background material

provided in previous chapters. Interviews are compiled to bring the views of the interviewees on the relevant issues. Many hours of recorded interviews forming the case database were processed according to the guidelines detailed in chapter 12, to give a summary which is easier to follow than a sequential unreduced description of the interviews. The interviewees views are sorted to subjects which are relevant to the hypotheses. Each subject is sorted again to issues within the subject. The information obtained in the interviews is given in the presentation of the cases in order to give the reader a clear picture of each Kibbutz as an economic organisation and as a community. Though the interviewees are not identified by names I took good care to inform the reader what part of the information is taken from the interviews.

In some cases it was difficult to decide under what headline should a subject be included. Several issues were of ideological nature and during the years changed their skin and proved to be of pure economic nature. In such cases the original consideration was the guide. However, this should not effect the interpretation and the conclusions since those are based on the findings and not on their classification.

### 12.2.3 The Case Study Analysis

The purpose of the analysis is to illuminate the influential and determining factors which shape the flow of events in order to be able to draw valid and valuable conclusions. In the case of this work, valuable conclusion will be those relevant to the hypotheses. The analysis of the cases should connect the hypotheses to the specific cases and use the case reports to prove the hypotheses.

At the end of each case presentation there is a summary which gives a profile of the specific Kibbutz. This summary, though of analytic nature, goes along with Miles and Huberman (1994) who suggest that cross case analysis should be preceded by some kind of 'in case' analysis of the cases involved.

The discussion and interpretation chapter (chapter 14) brings a cross case analysis which is based on the cases presented in chapter 13. The cross case analysis is related to the hypotheses.

## 13. The Case Studies

### 13.1 Case I - Cabri - The United Kibbutz Movement (TAKAM)

Cabri is the stereotypic Kibbutz. Its size and its economic structure resembles that of many others. The main reason to include Cabri in the research is that, at first look, there is nothing special about it. I visited Cabri several times before the interviews and I had seveeral opportunities to study its way of life which is described in the case. Total number of visits amount to five including two days visits.

The information for this case is based on internal Cabri publications, unpublished work by B. Eshel of Cabri (Eshel, 1993) and interviews with several Cabri members, as well as on personal observation during several visits to Cabri. The next chapter introduces the four interviewees. Their views, which are among the bases of this case study, are compiled in the presentation of the case.

#### 13.1.1. The Interviewees

Interviews with four Cabri members shed some light on those processes in Cabri which are relevant to this research. The attitude of key people in Cabri towards these processes and their expectations from the Kibbutz as a community and an economic entity were also sought. The informants were chosen from the decision makers and public opinion leaders in Cabri.

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### 13.1.2 General Information

Cabri is a member of the TAKAM (United Kibbutz Movement). It is situated in the Western Galilee on a hill some 7 miles from the Mediterranean, not far from the town of Naharia, a small tourist town. To the west, Cabri is overlooking Naharia and the sea. The border with Lebanon is about three miles to the north. This border is quite a violent one and there were several attacks of Katusha missiles in the recent past. Just one day before one of my visits to Cabri an official matriculation exam (the Israeli parallel to the English A levels) was terminated and all the children had to run to the bomb shelters because of a missiles attack on the Kibbutz.

Cabri itself is surrounded with a fence which is guarded through the night. There is a gate duty around the clock and some control on entering the Kibbutz is kept. The entrance to Cabri leads to the top of the hill to a car park where visitors are requested to park their vehicles. Access to the members residences are via foot paths. Many of Cabri members use bicycles to move around in the Kibbutz.

While the west and north slopes of the hill, with the nice view are used for the members residences, the south and east sides are occupied by the commercial part of Cabri,

namely the factory (Cabiran), several workshops and a cow shed. This area is 0very close to the residential area and is clearly seen from the entrance road. The residential part of Cabri is very green and very well taken care of which is a contrast to the commercial part which is functional and not very aesthetic.

Cabri members live in family houses and the children live with their parents. The houses are two story houses and each family has its own house (arranged in semidetached form). The houses are quite specious even in urban standards. In the houses I visited each child had his own room and I was led to understand that that was the standard with some exceptions. The living room is big and includes a dining corner. The kitchen is rather small and is not meant for preparing full dinners, though it is fully equipped with all the modern kitchen equipment common in urban residence and can be used for extensive cooking. The houses are equipped with all the modern household equipment such as radio, TV, video, telephone, answering machine and if necessary a fax machine. The houses are air conditioned, there is a central heating system and hot water is provided constantly.

Each house has its own small front garden and there is a common lawn in the back of each block of buildings and between the buildings. Each family is taking care of its own garden and there is co-operation in taking care of the backyard. The public areas are taken care of centrally and in some places they look less developed than the private areas. As expected, there is no legal ownership of land or houses and the Kibbutz legally owns all the real estate.

The dining hall is situated in a large building in the centre of Cabri. It is overlooking the sea and is designed to provide a lot of the wonderful view of the sea and the sea shore. The dining hall building contains also the municipal facilities of the Kibbutz - accounting, the secretary's room etc. The children houses and the youths residence are scattered in the residential area of the Kibbutz.

### 13.1.3 History

Cabri was established in 1949 by members of Kibbutz Beit Ha'arava. Beit Ha'arava was established in 1939 on the shore of the Dead Sea and existed until 1948 when it was abandoned and destroyed. There were some arguments within the Beit Ha'arava group about the place of resettlement. Some claimed that being a strong group they have to find a place in the Negev (the southern part of Israel which is predominantly desert, imposing difficulties and tough conditions). Others claimed that the group had enough of desert and isolation and wanted a place closer to the centre of Israel. Some people opposed the centre of Israel and warned from possible temptations the proximity to the city might present. Finally the group was divided and established two Kibbutzim: 'Cabri' and 'Gesher HaZiv' in which a group of young pioneers from the USA joined to establish a new Kibbutz by the sea, not far from Cabri. The choice of location was a compromise of all arguments. It is not in the desert, yet close to the border, which until today is quite a violent one and it is not far from a small town. The book 'First Years' by Z. Rappoport, which was privately published by the Kibbutz for its members only and includes stories from the first years of Cabri, claims that the place was selected because of its beauty and the abundance of water and plants. No other considerations are mentioned and no professional tests were made to assist the choice of location.

### 13.1.4 Population

The population of Cabri is about 850 out of which about 500 are members (the rest are children, temporary residents, volunteers, etc). As can be seen in Figure 13-1 shows the population is increasing with minor stagnant points. At the end of 1949 Cabri absorbed a group of young Jewish refugees from Europe. Most of the members of this group left after few years. Several families from different parts of the world, Egypt, India, Russia and the USA, also joined Cabri but in most cases with very limited success. About twenty years ago a large group from Latin America joined Cabri. This group was successfully absorbed and is a part of the present population of Cabri. Today more than 50% of the population of Cabri are Israelis and there are big groups from Argentina and Germany. From 1952 Cabri receives the help of 'Nahal' groups - groups of soldiers who spend part of their army service in Kibbutzim with the purpose of staying in the Kibbutz

after completing their army service. Figure 13-1 shows the increase in the population of Cabri as well as the rate of members to children and temporary residents. Several points should be noted when examining the graph:

* There is no information from the years 1966/7/8. This creates an impression of a population crisis which did not happen.
* The number of members includes candidates for membership.
* The numbers for non members include members' parents and new immigrant who came to stay but are not yet candidates for membership.
* The number of temporary residents is the number of all individuals and groups, including Nahal groups who lived in Cabri temporarily without declaring any intention of staying permanently.

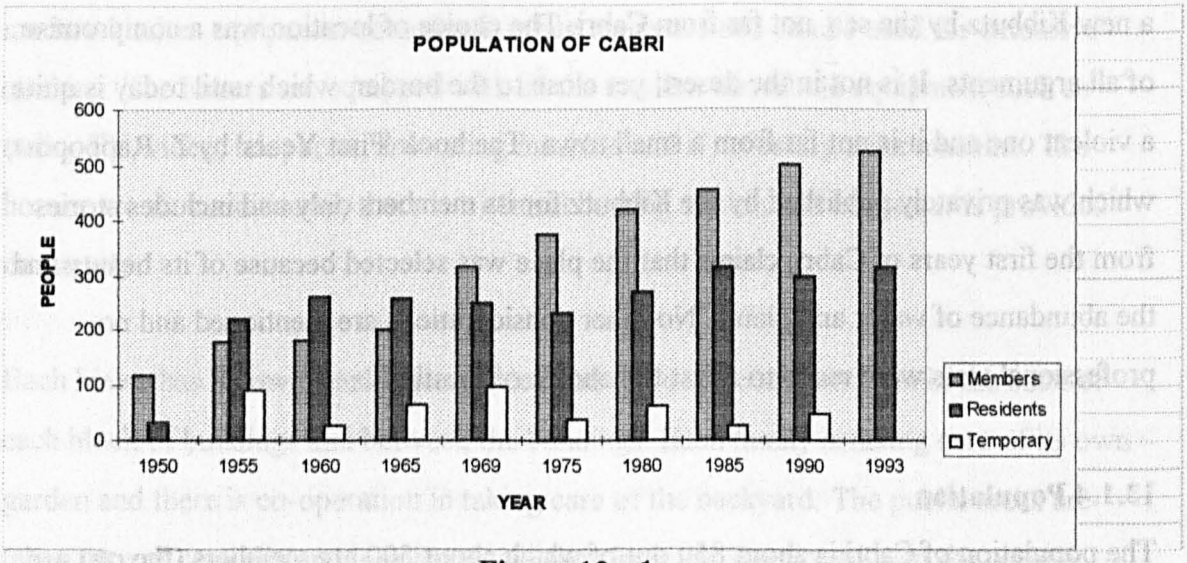



**Figure 13 - 1**

### 13.1.5 Education

The children of Cabri are getting their education in the regional school which happens to be located in Cabri. This school gives 12 years study, which is parallel to the English A level. All children are eligible for the full 12 years education. Cabri also finances two years of academic education in any subject unconditionally, even to a youth who does not intend to stay as a member of Cabri. Academic education is the most important issue in the programme to attract the young generation back to Cabri and today a youth from Cabri can take any subject and be financed, even beyond the two years which he gets

anyway, in very soft terms. Cabri has generally acknowledged the crucial importance of higher education in the development of the young generation.

**13.1.5.1 Level of Education** - Over 50% of Cabri members have some kind of higher education, among them about 12% with academic degrees including several Engineers and Computer Experts, Economists, two Medical Doctors, several people with second University degree and two University Professors. Many of the people with higher education, academic and professional, studied Art and Art Education, history and literature, as well as more practical studies such as agriculture and accounting. It is clear that subjects which are less practical for Kibbutz life, or rather to the Kibbutz economy, are more common amongst the younger members of Cabri. The number of people with higher education is higher for lower age groups. At the age group of over 60 we find 'Flock Raiser', teachers, a Doctor, Engineers and an Accountant. Altogether 8 people. In the age group of 45 to 60 we find Teachers, Engineers, computer people and a whole range of university degree holders in biology, economy, mathematics and even three graduates of Art, Theatre and Cinema. Altogether 107 people. In the younger age group of up to 40 years of age the range of subjects is much wider and includes Jewellery design, Sound Video, Communication, Music and conventional academic subjects such as Engineering, Teaching, Computers etc.

**13.1.5.2 Importance of Education**

DR counts the education as an essential issue in people's consideration to live in the Kibbutz. DF refers to education in general as one of the basic welfare elements which has to be provided unconditionally. He says that due to the higher education which can be obtained in the Kibbutz, the people of the Kibbutz are better prepared to leave the Kibbutz than in the past. He still sees it positively and considers it the duty of the Kibbutz to its members. YC emphasises the importance of higher education for the younger generation and adds that higher education benefits the community and the community should bear its cost. He also comments that the Kibbutz in general always perceived itself as an avant-guard in education and always provided better education than

the average education in the urban community in Israel. "The difference is that now we also pay attention to documents and degrees" he says.

### 13.1.6 Economy

The economic history of Cabri, as written in the book 'First Years' and in stories I heard in the Kibbutz, is full of experiments. From using the olives which grew naturally in the area through using the very clean water in a spring nearby for bottled mineral water (still remembered as Cabri Springs Water) to special Eggplant species which are still called Cabri Eggplant and is not grown in Cabri any more. It seems that innovation is embedded in the culture of Cabri from its early days.

Today the main agricultural branches are orchards of Avocado, Bananas and Pears, Cows for milk and meat, and poultry. Cabri has a factory (Cabiran) for non-ferrous precision castings which serves the aircraft industry market. This market has declined about 30% in the last several years and so did the orders from Cabiran. The decline of orders damaged the profitability of the factory severely and now it is on the edge of profitability though not yet losing. Financial data were not available but from a visit to the factory (applying my Engineering background) I estimate its annual turnover at around 5.0 Million USD. Next to Cabiran there is a small factory for silver and gold jewellery (Adiran), a sewing workshop for women and children clothing, and a small factory for wooden ornaments and packing products. In addition there are several "one man businesses" based on individual entrepreneurship. Among these are pottery, sculptures, cosmetics, antique clocks replicas and Industrial Consulting.

In the last decade there is a constant decline of the amount of work days invested in inner services with an increase of work days invested in the productive areas and in work outside the Kibbutz. In the productive areas the number of work days invested in Agriculture is declining while the work invested in Industry almost doubled from 1982 to 1992. (Eshel, B., 1993).

Figure 13-2 shows the distribution of man work days invested in four main sectors (information from B. Eshel 1993). The chart does not show the first years of Cabri. Information for these years was impossible to obtain. However the last twenty years are the more relevant years for this research. The decline in number of man workdays in agriculture coincide with the increase in number of workdays in industry and, as mentioned in 12.1.2, with the technical advancement of agriculture. Inner services declining number of workdays coincide with the move to family sleeping which caused the cancellation of evening and night shifts of child minders.

Employment possibilities in Cabri are diversified. High professional skills and the small scale of seasonal work, even in agriculture, is the cause for very little temporary work force. Cabri uses hired labour mainly in industry. close to 50 Cabri members are working outside the Kibbutz. About half of them have academic education. All outside workers hold professional or managerial positions.

**Annual Working Days Distribution for 1982 - 1992**

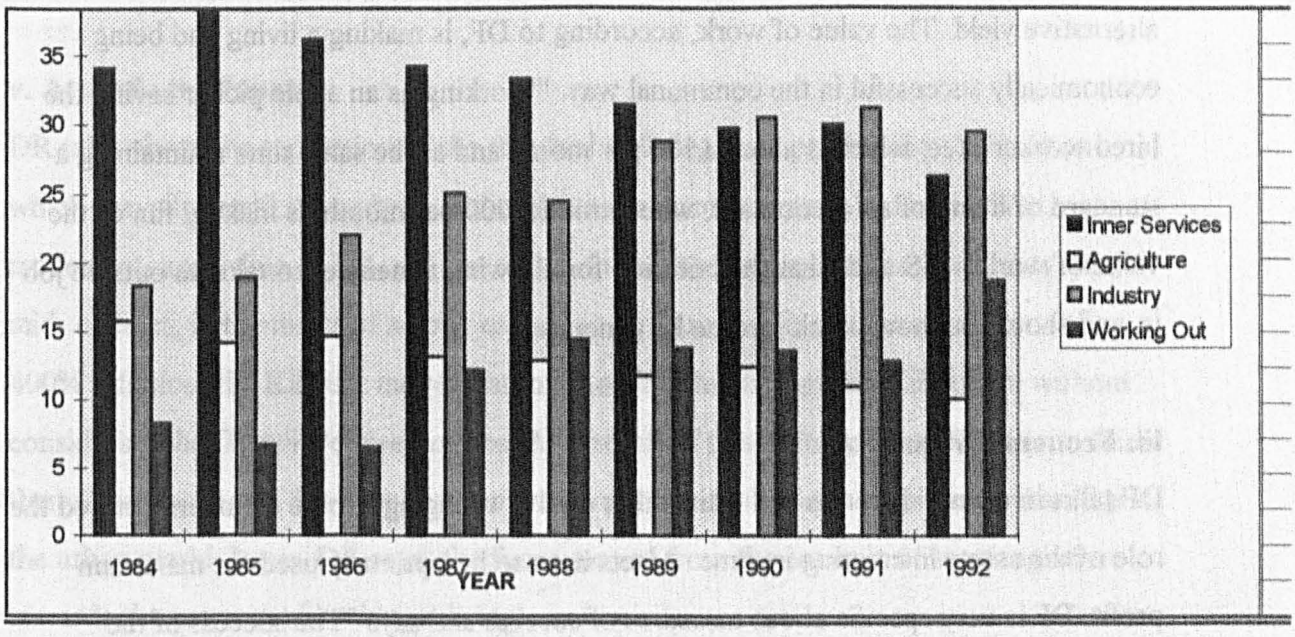



**Figure 13 - 2**

**13.1.6.1 Measures of Success -** There was a total consensus among the interviewees on the ultimate importance of profitability as the measure for the success of any economic activity in Cabri.

**i. The Worth of Work**

The new work structure of Cabri is based on profit measurement. Cabri has a calculated 'work day's value'. Any member who wants to work out of the Kibbutz is obliged to earn at least the standard work day's value. One of the interviewees (MS) is a one man operation of consulting and can go on doing so as long as he earns his keeps, namely at least the average work day's value and, preferably, contributes something beyond it.

**ii. The Importance of Work**

It is only natural that DF, being the manager of Cabri Holding and Management Co. Ltd. has a lot to say about the relationship between work and profits. "The importance of work is in its economic contribution to the community". This sentence expresses his attitude towards the importance of work. DF measures the value of work by its alternative yield. The value of work, according to DF, is making a living and being economically successful in the communal way. "Working as an apple picker saving the hired worker's fee, which is about £500 per month and at the same time maintaining a standard of living of an accountant, who earns £5,000 per month, is making fun of the value of work". MS adds that the criterion for allowing a member to take an outside job is, and should be, how much income he generates.

**iii. Economic Values**

DF talks in economic terms and claims that until not long ago some members ignored the role of the assets in creating income. Assets have to be optimally used for maximum profit. DF is very specific about measures of success and says "The success of the factory, as well as any other branch, is first and foremost its economic success... profit is the basis of the organisation, even if it is not its ultimate target". According to DF Cabri is not perceived as a successful Kibbutz by its members because they are not satisfied with its economic success. The whole economic and work structure of Cabri is geared

towards profit making. There is a strict differentiation between profit making operations and not for profit operations, mostly internal services. Most economic branches in Cabri have the form of profit centres with the management free, within its budget and business plan, to buy services in Cabri or elsewhere. Each branch has a business plan and is expected to make a certain profit which is divided between the branch itself and the Kibbutz according to the general budget. The internal services are also business minded. The laundry, for example, is credited for its services, which may be subsidised by the Kibbutz but should not go over its budget.

**iv. Ethical Limitations**

YC also identifies success with profits. However, he emphasises that importance of workers' satisfaction. A profitable operation with low workers' satisfaction is considered by YC to be a disaster and a failure. YC believes in the necessity of moral limitations and would not, under any circumstances, see Cabri involved in any kind of speculative activity including speculation in the stock market, however good the chances for profits are.

**v. Attitude to Money**

DR talks about the separation of the standard of living from profitability, a situation which prevailed until the early to mid eighties. Investments made by the Kibbutz movement, according to DR, did not reflect the cost of money nor its availability. In the mid- eighties, in the midst of a deep economic crisis and in financial environment of 400% inflation, the Kibbutz movement invested in establishing new Kibbutzim without considering the financial consequences. As a result of this attitude many Kibbutzim found themselves insolvent. It seems that the whole attitude to money was different than that of the urban world. Later, DR says, the focus moved from the concept of 'working' more towards the concept of 'making a living'.

**13.1.6.2 Investment Shift**

There is an attempt in this work to differentiate between productive activities and service activities. Productive activities, for this purpose, are agricultural and industrial activities

which end with a material product. The meaning of 'services' here is the sale of services which do not involve selling material goods. The most relevant example in the Kibbutz movement is the leisure industry. Cabri did not invest significant resources in the services industry. There are some minor service operations like a small store and a hall which Cabri lets for parties and ceremonial occasions. Hard data are unavailable and is not very meaningful because of the small size of these operations. The fifty people working out of Cabri are considered as services sold in the market but there is no systematic documentation of their contribution to the economy of the community. More important at this stage are the attitudes and the plans of expanding of the services sector.

MS says that when Cabri decided to let its members choose their place of work and measure work's value by the income generated, the differentiation between productive and non-productive activities became immaterial. He also says that the inner services are undergoing a major change which will make them more independent and more economically oriented by offering services to the outside market. YC claims that the traditional differentiation between production and services is not valid any more. Anything which generates income is productive. Inner services, among them housewife work, is non-productive since it does not generate income. YC says that in Israel any activity which brings foreign currency is considered productive and sees no difference between selling jet turbines from 'Cabiran' to a foreign buyer and selling the use of Cabri's swimming pool to visitors. Allocating agricultural land for more profitable 'non-productive' branch is perfectly justified by him as long as the shift is economically justified.

DR says that investment in the service industry began when the profits in the production industry declined. The leisure industry was very attractive to many people and they wanted to join this industry. MS revealed plans to allocate land for an industrial park and a leisure park including an airport.

### 13.1.6.3 Human Resources Shift

The rate of workdays in inner services went up from just over 34% in 1984 to almost 39% in 1985. Since then, however, there is a constant decline to a little over 26% in 1992. Teachers were considered to be inner services workers until the mid eighties when they were switched to outside workers since they generate income (teachers are paid a salary by the ministry of education). This means that we have to look at the inner services work days curve in two separate sections, the first section until 1985 and the second one from 1985 on.

#### i. Reduction of Communal Services

There has been a reorganisation of the service system. For every service provided Cabri decides what type and what level of service will be provided to its members and under what constraints. It can be free, unlimited and unconditional (health), free, limited and unconditional (education) or any other possibility. DR points out a change in concept. The change in the consumption pattern in Cabri goes towards providing a certain minimum, unconditionally, while the rest is provided through a personal budget. The rate of unconditional provision from the total personal consumption is, according to DR, about 70% and includes large expense items such as housing, education (including two years of higher education), health and low expenses items such as laundry and dining hall services.

#### ii The Family as a Service Provider

Increased familism moved many services from the commune to the family. Since children are sleeping in the family home the family and provides services formerly provided by the commune. This includes caring more hours for the children, preparing some of the meals for the family, taking care of a larger house etc. The hours invested in home keeping are not registered as inner services. Some of the work presently done by the housewives was transferred from the communal children's homes to the family homes. The service is there but the hours are not directly allocated to it. The work is not done by Kibbutz members as their allocated job but by the family as part of the informal family duties.

**iii Services as Income Generators.**

Some branches formerly belonging to the internal service sector became income generators. 30% of the public budget was transferred into household/family budget and more services, formerly provided freely, are now bought by the members from the Kibbutz or outside the Kibbutz. The management of each operation is free, within its budget, to employ Kibbutz members, hire outsiders or buy a service outside, whichever is more economical. Excess capacity of any service can be sold outside. By the same concept services bought through the personal budget can be purchased outside the Kibbutz.

### 13.1.7 Organisation and Structure

The supreme source of authority is the General Assembly. The social affairs of the Kibbutz are taken care of by a 'members committee' and the economic affairs are the responsibility of the 'economic forum'. The Economic Forum which is comprised of the secretariat, the financial committee, the economic management and the services management, is responsible for all the economic activities of Cabri including the community services. This structure leaves the social, educational and cultural activities to the relevant committees. The Economic Management is responsible for all the income generating activities which are operating under the umbrella of a Limited Company by the name of Cabri Holding and Management Co Ltd (CHMC). All of mCabri's businesses operate as profit centres. Some of the businesses are Limited Companies and some are registered as limited partnerships of Cabri with outside partners. Management committees of the different businesses and board of directors of Cabiran are nominated by CHMC with final approval of the General Assembly.

The services Management committee is responsible for all the community services. Some of them are operating as budget centres and some as balanced businesses with no profits.

The following block diagram shows the management structure of Cabri.

Cabri - Busniess Management Structure

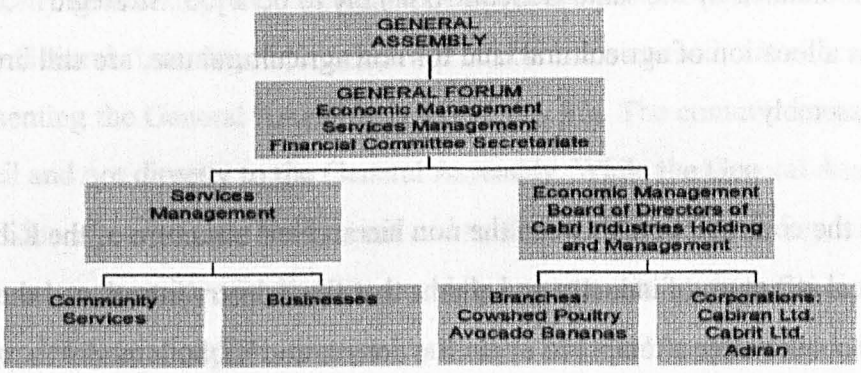



**Figure 13 - 3**

### 13.1.7.1 Introduction of Hierarchy

DR identifies a change in the target of the Kibbutz. The Kibbutz is not a mission driven society any more, just a simple democracy. DR claims that in practice direct democracy existed for a very short period. DR sees the change in the democratic process as part of the multidimensional change in the Kibbutz. DR perceives the change from direct democracy to democracy of delegates as part of the change from communalism to individualism. According to DR there is a process of differentiation in the Kibbutz movement. The movement is loosing power over the individual Kibbutzim and the Kibbutz is loosing power over its individual businesses.

DF claims that direct democracy was a myth and actually decisions were always made by a small number of people. He says that today the individual has more influence on different activities since the span of responsibility is much more focused. If an individual wants to initiate an operation he knows were to go and whom to convince. Most decisions are made by committees. In professional issues the committees are, usually, elected on professional basis. The direct democratic process still exits and every member

of Cabri is invited to all committee meetings and can express his opinion. Each member has the right to call a special general assembly in order to discuss, and even turn over, any decision made by any lower body. YC, on the other hand, does not consider Cabri to be a democracy of representatives since the managerial committees are comprised of people who were not elected by the General Assembly as representatives of the public but were rather nominated by the same General Assembly to do a job. Strategic decisions, such as allocation of agricultural land for non agricultural use, are still brought to the General Assembly.

DR points out at the contradiction between the non hierarchical structure of the Kibbutz and the hierarchical structure of industry and claims that the industry introduced the hierarchy to the Kibbutz after attempts to apply the democratic Kibbutz model to industry failed. DR comments on the establishment of board of directors that a company's board has a narrow span of responsibility to the respective business. It may not rescue another collapsing business of Cabri or may even refuse to 'lend' money to the Kibbutz when in difficulty. The General Assembly has a wider point of view and it sees the interests of the community not only those of the business. DR admits, though, that the board of directors, especially with directors from outside the Kibbutz, can and should protect the business from the contradicting interests of the community.

DF elaborates on the economic structure of Cabri. He does not believe that it is possible for all the members to make economic decisions together. Each economic branch is a separate business and a profit centre, has a budget and is expected to bring a predetermined income and profit. The common treasury is abolished. Cabri's controller can not put his hand into the pockets of any business and take money for the use of the community beyond its budget. Cabri's factory, Cabiran, is a limited company with board of directors and an outsider as a chairman. The board has the authority to hire and fire workers, including the factory manager without consulting the General Assembly.

YC compares the General Assembly to a share holders meeting. There are management committees and there is the supreme authority of the share holders.

### 13.1.7.2 The General Assembly

Both DR and DF agree that participation in General Assemblies decreased sharply very long ago to the extent that the direct democratic process became meaningless (see also 13.1.7.1). MS says that the significant change in the organisational hierarchy boils down to the type of decisions made by the General Assembly. The General Assembly is practically limited to policy decisions. Unlike in the past, no operative decisions are made by the General Assembly. More than that. Cabri has a council, which is an elected board representing the General Assembly in day to day life. The committees report to the council and not directly to the General Assembly. While the General Assembly meets only twice a year to elect the council and to deal with very few policy issues it maintain the power to override any decision made by any other institute in Cabri. In this role it may, under special request, discuss any matter. This will happen only in cases of a serious dispute between an individual and a committee. Any individual can call the general assembly to discuss an issue he may think important enough. MS says that this right was used several times and in some cases the general assembly even reversed a committee's decision. He says that so far this right was not abused and the general assembly was called only very few times and in reasonably serious issues.

MS points out the difference between the General Assembly and a share holders' meeting. The General Assembly elects the management committees, the directors etc. but, unlike in a share holders' meeting, no equity based power group can be formed since every individual has one vote and no votes can be bought. MS informs that the active participation in general assemblies is about 20%. The meetings are transmitted in the internal TV network to the houses and the passive participation through viewing is as high as 60%. The vote is through poll boxes and participation in the polls is very high.

YC relates to the change in the role of the General Assembly and says that in the past the General Assembly was dealing with items of no importance. He says that it did not matter anyway because of the small number of participants.

### 13.1.7.3 The Rotation Principle

DF indicates that rotation is not a principle. It was exercised in order to prevent people from accumulating power. This is not the case in Cabri and not in most other Kibbutzim, says DF. MS describes the process of choosing a person for a position and his description fits a normal recruitment process in any commercial firm, including the use of an outside recruitment firm. All interviewees agrees that the question of rotation does not play any part in the consideration of choosing people for positions.

## 13.1.8 Family and Communality

All interviewees referred directly to the decline of communality and the strengthening of the family. More explicit reference was made to issues which has to do with communality and family life such as family sleeping and personal budget.

### 13.1.8.1 Communality

DF simply stated very explicitly that communalism is decreasing against stronger family life and claims that this process benefits the individual. MS points at the dedication to the group which is not as strong as before, whether the group is the Kibbutz or the whole country. YC recognises the decline of the partnership and goes to extreme saying that the Kibbutz created 'partnership haters'. The partnership became totalitarian and any kind of totalitarianism is contradictory to the Kibbutz spirit, therefore people opposed it. DR anticipates that the next step in the change process is another step towards more autonomy of the family (though he calls it a step towards individualism) by recognising ownership of family property. This is contrary to some people who see the differential salary as the next issue to be addressed.

It has to be noted that with the move to family sleeping of all children in Cabri, as well as in any other Kibbutz, the family became one of the major services provider to the family (see 13.1.6.3.iii). Women in Cabri are entitled to work six hours day in recognition of their duty in the house. The higher level of independence of the family is demonstrated in the appearance of the houses. These are now more unique and less of the same pattern. Each household takes care of its own garden. This is reflected in the shape of the garden

and also in the difference between the residential houses and the public buildings, which are taken care of but not as well as the residential houses.

### 13.1.8.2 Family Sleeping

DR identifies family sleeping as a step in the move from communalism to individualism. He relates to family sleeping as a 'sacred arrangement' rather than a principle using the words of the Kibbutz researcher and historian Henry Nir (Nir, 1984), but admits that many people in Cabri perceived the move to family sleeping as a change of principle. MS identifies the expanding of the family home as the most significant increase in standard of living, meaning that the most important item in raising standard of living was the one which strengthened the family.

### 13.1.8.3 Personal Budget

DF identifies the decline of the partnership by the transfer of money from the public budget to the household. Electricity budget for the household for example, increases the household autonomy of consumptionby presenting the option to save on electricity and use the saved money for other purposes. In the same subject YC says that in Cabri about 30% of the personal consumption is through personal and household budgets and 70% still through public budgets with unconditional and uncontrolled supply. YC wants to see a division of 50% of controlled household/personal budgets and 50% unconditional provision through public budgets. MS claims that transferring money from public budgets to household/personal budgets did not increase the level of consumption. It did, however, increase the consumption autonomy of the household and this, according to MS, was the reason for the change "people wanted to ease the pressure".

### 13.1.8.4 Family Network

YC raised the issue of support from relatives outside the Kibbutz. The breaking of communalism by family ties crossing the Kibbutz boundaries is demonstrated by family support from outside the Kibbutz. YC admits that several families in Cabri are using outside family resources.

### 13.1.9 Standard of Living

There is still total separation between consumption and contribution in Cabri. In the past the separation between consumption and contribution was kept even at the movement level. The movement dictated the level of consumption, so it did not reflect the economic ability of the individual Kibbutz. This limitation has been eroded until it faded away completely in the mid eighties.

In spite of the above, observation revealed common patterns of life style in all the Kibbutzim. Following the move to family sleeping in Cabri, the parents' home became the family home. Cabri takes advantage of most of the modern technological advantages common in the city. TV, sometimes more than one, is a standard All households have a direct telephone line and a second line with a fax when needed. All the usual household equipment common in modern urban life can be found in Cabri with no exception. Cabri even takes advantage of its being a closed community and there is a TV network which is used both for entertainment and for delivering internal information to the members.

#### 13.1.9.1 Imitating the City

YC says that the Kibbutz imitates suburban life rather than urban city life. According to DR the gap between the Kibbutz standard of living and the urban standard of living has narrowed and people in Cabri, as in most Kibbutzim, are now used to a standard of living compared to that of the $6^{th}$ or $7^{th}$ decile of the Israeli society. DR claims that the standard of living was even higher but went down lately due to economic constraints. YC finds it hard to compare the standard of living in Cabri to that of the urban society, especially in consumption of large items such as private car, using and owning a swimming pool etc. However, he does indicate that in general the standard of living in Cabri parallel to the urban's $6^{th}$ - $7^{th}$ decile while the level of earning equals the $5^{th}$ - $6^{th}$ decile. The difference is offset by the Kibbutz being a more efficient consumer taking advantage of the economies of scale.

DF says that it is necessary to follow the urban standard of living for the survival of the Kibbutz since the Kibbutz has to compete with the urban environment in order to attract

the young generation. The city is a clear alternative and the young generation in Cabri is exposed to the urban society almost as much as if they lived in the city.

### 13.1.9.2 Private Consumption

DF claims that the old Puritanism of the Kibbutz movement was poor people's Puritanism. The standard of living was kept low because there was no other choice. The level of welfare, on the other hand, was always very high in urban terms. Consumption in Cabri has increased until it reached its economic ability. This happened in the mid eighties. Since then the consumption standard fluctuates, reflecting economic constraints. DR identifies most of the increase in standard of living as linked to family sleeping. The family houses almost doubled in size while the children homes were retained for day use. According to MS, the move to family sleeping was used by Cabri to renovate and expand all family houses, including houses of families with no small children. This was the result of public pressure in Cabri to improve the standard of living.

Another important issue is 'private cars'. Here MS mentions two aspects. The first one is functional - the use of a car for private purposes. The other aspect is more complex and is the ownership of a private car. As for cars for private use, this was solved by establishing an independent car pool of all cars in Cabri. The car pool is aimed to provide a car for private use to any of Cabri's members on a 24 hours notice, even at the cost of renting a car from a car rental firm. After the first year of this arrangement the satisfaction level is above 80%. The question of owning a car is more serious since there is no private property of that size and cost in Cabri, or for that matter in any other Kibbutz. However, since several members of Cabri did have private cars (officially owned by relatives who live out of the Kibbutz) the General Assembly decided to 'legalise' the ownership of private cars.

Another aspect of the increased standard of living mentioned by MS is much less significant financially but maybe much more significant culturally. This is the habit of ordering 'take away' from the neighbouring town. This norm, while not of any financial significance would have been out of order fifteen and even ten years ago.

### 13.1.9.3 Non Material Benefits

For DF the ability to choose an occupation or a subject of academic study, as well as the attention to the individual and his non materialistic needs are major aspects of the increased standard of living. YC mentions the fact that Cabri provides good education unconditionally. Another aspect of the higher standard of living mentioned by YC is the massive support (up to 2/3 of the expenses) for extracurricular activities, such as sport and music, and even higher rate of support in case of extraordinary talent. For MS, standard of living is measured by the level of freedom a person has in life according to his own wishes. In this respect, MS says, his own life in Cabri is constantly improving. MS says that the introduction of household/personal budget did not increase the level of consumption. It did, however, make life much more comfortable by introducing the benefit of choice.

### 13.1.9.4 Social Security

YC mentions the investment in independent pension funds. According to DF, the Kibbutz is sacrificing some increase in standard of living for long term security. The feeling of security, the confidence that the Kibbutz will take care of its members in the future, has weakened with the growing individualism and so is the willingness to be content with unwritten agreements. The pension funds replace some of the dependence on the mutual responsibility. YC says that there is a decision not to redeem the pension funds of old Cabri member in the next few years and use the money to buy pension rights for other members. In the meantime the Kibbutz takes care of its pensioners as before.

### 13.1.10 Ideology and Principles

There is a consensus among all the interviewees that ideology is not attractive any more and its power is not as strong as it was. Nor is ideology as important as it was in the first years of the Kibbutz movement and even in the first years after the establishing of the state of Israel. DF went as far as saying that Cabri has to find other things to attract its own young generation to stay home.

### 13.1.10.1 Adherence to Agriculture

Cabri still has most of its income from agriculture. However, the man-hours invested in agriculture went down from 15.7% of all annual man-hours in 1984 to just over 10% in 1992. Cabri turned to industry and is constantly trying to increase its income from industry through expansion. Documented income information was not available but from information obtained in the interviews I realised that about 80% of Cabri's income comes from agriculture. This is after the income from Cabiran went down by30%. This means that for Cabri agriculture is still dominant. In mid 1995 Cabri established a joint venture with another Kibbutz (Maagan Michael) to form a branch of Maagan's plastic factory. The venture involved an investment of $2.5 millions and employs 22 workers.

#### i. Agriculture and its Alternatives

According to DF the Kibbutzim in general and Cabri in particular still have a business advantage in agriculture. In spite of this statement DF reveals plans to minimise agriculture in Cabri. He says that Cabri will stick to agriculture only as long as it is economically sensible. All interviewees agree that a decision to replace agriculture with another operation is a strategic one and is beyond normal resource allocation. They all agree that such a decision should be made by the General Assembly. It seems that everybody knows what should be done but the issue is too important for a small group of people to decide.

#### ii Attitude to Agriculture

The attitude to agriculture is somewhat confused. All informants agreed that agriculture is loosing its strong standing in Cabri. This is also proved by work statistics. DR says that agriculture is not a value nor a principle. He adds that the question of investing in agriculture or in an alternative is not an ideological issue and people are not bothered by it. DF says that Cabri sticks to agriculture because it is still a good business. DR, on the other hand, does not foresee Cabri giving up agriculture because it complements the rural way of life preferred by the people of Cabri.

YC agrees that agriculture is not a value and the only reason to stick to it is economic, while MS separates the type of work for individuals from the type of business for the community. In his view, if there are no members who wish to work in agriculture they should not do so. Agriculture, if economically justified, can still be a business, based on hired labour. If not justified economically it should be abandoned altogether.

### 13.1.10.2 The Self Sufficiency Principle

It has to be noted that the term 'self sufficiency' here is perceived in terms of a closed economy and not in its modern interpretation which is simply a positive financial balance. In the early times of the Kibbutz movement it aspired to create closed economic entities. Cabri was founded in 1948 when it was already obvious that a small community can not function as an autarchy.

#### i. Open System

DR talks about the idea of a closed, self centred, system. According to his opinion this was possible only in an agrarian community before the establishment of the state of Israel. With the industrialisation of the Israeli economy and the desire to raise the standard of living the closure was broken and the system opened both to import and export. DF considers any kind of segregation to be negative and supports the exchange of products, services and even labour force with the surrounding society.

#### ii. The Economic Aspect

DF says that when the government started to subsidise consumer prices of agricultural products it became cheaper to sell the products and buy from the market whatever was needed for home consumption. MS goes further away from autarchy. He views positively the competition between internal and external suppliers of products and services.

#### iii. The social and Ideological Aspects

According to DR the closed shop principle dictated the elimination of all those branches which could not be run with the limited labour force of the members. A typical Kibbutz economic activity needed innovative technological solutions or hired labour. YC states

explicitly that autarchy is not a value nor a principle and in the modern society is not even possible and has no place.

### 13.1.11 Needs, Contribution and Compensation

There is an argument about the term 'needs'. While at the turn of the century this term referred to basic necessities of survival i.e. food and lodging, nowadays the term needs refers more to welfare, education and standard of living.

#### 13.1.11.1 Welfare Policy

DR says that among the needs people are concerned with, education and long term welfare and security are the central issues. Long term security, which was unconditional and guaranteed though only by unwritten covenant, is now taken care of in Cabri by buying outside pension plans for the members. DR talks about the family sleeping causing a 'need' for bigger family houses and higher specification of household equipment. He says that Israel, as any welfare state, guarantees basic needs, meaning decent lodging (funny to say that with the rate of homelessness in the UK. In Israel, however, there is no real problem of homelessness), primary health care, minimum income and basic education. These are taken for granted and provided by the state for everybody including members of Kibbutzim. Cabri provides its members with higher level of welfare which amounts to approximately 30% of the public budget. YC talks about higher education as a need, not so much for the survival of the individual but rather for his development and for keeping competitive in the outside market of employment. YC also relates to extracurricular education. In case of exceptional talent Cabri acknowledges its development as a need and provides the necessary arrangements and funds.

#### 13.1.11.2 Choice as a Need

DF notes that 40 years ago Kibbutz members had barely what was needed for survival. Today they want more and they want a choice. The whole western world offers more than it did 40 years ago and it offers a very wide range choice in any area. According to MS higher needs do not necessarily mean arithmetically higher

consumption. For him the introduction of personal budget is expanding the term 'need' without paying any financial penalty.

### 13.1.11.3 The Needs of the Community

DF raises the issue of the needs of the community. The community needs to be competitive with the urban alternative. Although, he says, whoever places material benefits as first priority in his life does not fit in a Kibbutz. He admits that the need to compete with the attractions of the city dictates the consumption level Cabri has to provide. MS sees the freedom and the ability of Cabri to choose the level and type of consumption as a need of the community.

### 13.1.12 Shift in Prestigious Positions

The most significant impression which emerges from all interviews is that the people of Cabri are not very concerned with questions of prestige. The subject did not come up spontaneously and I had to navigate very hard to make it an issue. DF says that economic positions, such as the factory manager, are prestigious in Cabri even though no material benefits are involved only extra responsibility. YC admits that an outside job, especially if it comes with a company car, is prestigious and so are other very high political and public positions out of Cabri. He mentioned DR who was a member of the Israeli parliament which was a very prestigious position. YC also said that central and highly qualified people in Cabri started the 'fashion' of working out of Cabri. In his own words: "they did not lead the change, they simply made it". While not saying anything about the jobs, his appreciation to the people is clear. With more and more people working out of Cabri the prestige of such positions is decreasing.

### 13.1.13 Summary - Cabri Profile

The general impression of Cabri is of initiative and innovation. Innovation seems to be part of the culture of Cabri from its early days. There is and there always was a lot of thinking of expanding the business and entering new areas. Cabri's response to the hard times in its main industry is investing resources in new ventures with other Kibbutzim as well as with external partners. I had the impression that the people of Cabri are busy

thinking about the future and are trying to anticipate changes in order not to be caught unprepared. This impression is valid both for the economic activities and the social changes.

The 'family' became central in the life of the members of Cabri. this is expressed by the large family houses and the visual differences between the residential areas and the public areas. Communalism is expressed by common ownership of production means. The members of Cabri are not excluding the possibility of private property but limit private property to non productive items.

### 13.1.13.1 Culture - Life Style and the Value of Work

Standard of living is basically difficult to measure because the structural differences between the Kibbutz and the urban communities. Based on my observation I would say that the standard of living of Cabri members is comparable to that of upper middle class suburban standard in Israel. It seems that the move to higher personal budget is not the cause for less communality but rather a result of less communality.

Cabri acknowledged the importance of education for the individual and is not embarrassed to compete with the city's occupation and education possibilities. The statistics of Cabri shows increase in the level of education, both academic and professional. Academic education is the most important issue in the programme to attract the young generation back to Cabri and today a youth from Cabri can study any subject and be financed, even beyond the two years which he gets anyway, in very soft terms. Cabri has generally acknowledged the crucial importance of higher education in the development of the young generation and the competitiveness of individuals in the outside career market.

It is interesting to note that none of the interviewees mentioned the willingness of the Kibbutz to take members' old parents to the Kibbutz and take care of them. While this is considered part of the rights of every Kibbutz member this right actually recognises the existence of family ties and family obligations across the Kibbutz boundaries.

Investment in external pension funds cancelled the dependence of members of Cabri in both the economic condition of Cabri and in any kind of an unwritten covenant. This change also contributed to the deterioration of the communality and the increase of individualism.

Cabri is an economic oriented community. Success is measured in economic terms and though there are, also, other issues involved there is total agreement that profitability is the most important point in any economic activity and the more the better. The importance of profitability is reflected in the attitude to the type of business Cabri is pursuing. Self sufficiency means nothing and even outside jobs are measured in income terms. Work itself is not a value in itself unless measured in economic terms. Making a living through work is a value. Work, however, is any activity which generate income.

The attitude to agriculture is still a little problematic. While all the interviewees agreed that there is no problem in allocating agricultural land to non agricultural uses and all interviewees agreed that it is possible that Cabri will end up with no agriculture at all, non of them really believed it will ever happen. All the interviewees agreed that turning agricultural land to non agricultural use is a major issue and is a matter for the general assembly.

**13.1.13.2 Management - Decision Making and Investments**

Here I observed a more complicated situation. The basic hypothesis is that the direct democracy is in the process of being replaced by democracy of representatives. In Cabri I observed seemingly contradicting processes. The General Assembly is still the supreme authority in Cabri. The direct democracy is maintained by the possibility of every member to approach the whole population, through the general assembly, with any problem which is important for him. This is actually the essence of direct democracy. Unlike the classic case of representatives democracy, such as the democracy we see in democratic states such as that of the Kibbutz host community, in which the citizen can approach a body of representatives or a juridical body. In a democracy of representatives there is no mechanism in which the individual can raise a question to the whole population.

The history of Cabri indeed shows the increased decision power of committees and the creation of a de-facto representatives democracy driven by the low participation in the general assembly meetings. However, here I observed a contradicting process. The power of the committees was very well defined and was limited to practical operative decisions. Policy decisions and extraordinary issues (such as agricultural land allocation for non agricultural use) are brought to the general assembly. The problem of low participation in General Assembly Meetings is solved through passive participation, using closed TV broadcast. The voting is through poll boxes and participation is high. This is, therefore, a specialisation and modernisation of the decision making process while maintaining the mechanism of direct democracy for policy issues.

It is admitted that some hierarchy should exist in the economic branches and in the decision making process, as expressed in the organisation structure of Cabri. In spite of Cabri totally abandoning the rotation principle I did not observe any signs of classes. The community managed to keep the hierarchy to the relevant processes and no material remuneration is attached to any position. I did not observe any significant importance to positions as far as prestige is concerned. My impression is that Cabri is still in a stage of appreciating the people for what they really are and not show any appreciation for a position.

With the expansion of the private budget several items were reduced from the inner services statistics. Most people don't use the dining hall for breakfast and dinner, reducing the dinning hall staff significantly. The work invested at home replacing the dining hall is not counted in any calculation, though there is an allowance of two hours a day for women's work. The family home became one of the main service providers for the members of Cabri. This change is reflected in the statistics of Cabri in somewhat misleading way. While the number of inner services man hours has decreased the level of inner services actually increased. The shorter working day for women is expressed in the statistics as investing less working hours in the relevant places while actually it can be looked at as a massive working hours invested in inner services. This trend also changed the work load distribution between males and females, though even before the change

the inner services were provided mainly by women. The responsibility for the services, however, is transferred from the community to the family. Within the family the load can be divided as the family see fit, though only the women are eligible for a shorter work day. The people of Cabri relate high importance to the needs of the members. It is clear that, in Cabri, the term need is totally modernised and is a reasonable compromise between the standard of living in the urban society and the economic ability of Cabri. Maintaining high standard of living as a personal goal is not condemned and Cabri is spending money and effort to fulfil this goal.

There is a strong feeling of a need to compete with the urban society on the 'hearts' of the young generation. In spite of the fact that this competition is not of a materialistic nature it limits the gap between the standard of living in the Kibbutz and that of the urban environment.

### 13.2 Case II - Amiad - The United Kibbutz Movement (TAKAM)

Amiad is the smallest Kibbutz of the five case studies. It is highly dependent on its industry, yet still maintains several successful agricultural branches. Amiad is of the same age as Cabri and comparing the two is of significant interest. Some comparative analysis is done in chapter 15 (Discussion and Interpretation). The reasons to select Amiad are its size, its dependance on its industry and its solid economy. The solid economy means that Amiad is free from the economic preasure to make changes. I visited Amiad many times including several days visits. Since I started this work I visited Amiad five times.

Most of the data for this case had to be obtained from interviewees since there are very little inner publications. The Kibbutz archive is in its initial stage and the material is not yet sorted out. Some hard data was gathered from Amiad's financial reports which I located in its accounting department, courtesy of the members who work in the accounting department. I found the members of Amiad much less talkative than the people of Cabri. While the people of Cabri were full of initiative in the interviews the interviewees from Amiad took the reactors position. The reacted to my questions and statements but did not initiate much of their own. The interviews were shorter and much more to the point, though I did not have the feeling that any information is hidden from me.

#### 13.2.1 The Interviewees

The interviewees were chosen from different age groups, different backgrounds and from different occupation groups in order to cover a wide range of opinions.

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### 13.2.2 General Information

Amiad is a small but very solid Kibbutz. In the United Kibbutz Movement Amiad is considered a big economic success. It is located right on the main road from the Sea of Galilee to the northern tip of Israel. Ten minutes away there is the town of 'Rosh Pina', a small old town which lately enjoys massive development. Half an hour away there is the town of Tiberias which is the largest leisure town next to the see of Galilee. The whole area was considered very remote from the centre of Israel. In the last several years it enjoys a development momentum with new modern roads and major industrial investments. Hopes for peace agreement with Syria and Lebanon are the reasons for the massive investments in the area and there is no doubt that if the peace hopes will come true the area will prosper significantly. Amiad itself is close to the northern border of Israel with Lebanon and faces the Golan heights and the Syrian border. The borders, which were very violent in the past are much more quite for several years. The areas, however, is still considered a frontier area and there are some violent occurrences.

Unlike most other Kibbutzim, Amiad is located right on the main road with no access road at all. This is used by Amiad and there is a shop right on the road next to the Kibbutz gate. The shop sold, initially, products of Amiad's winery and lately diversified to different kinds of related products which are not made in Amiad.

The family houses in Amiad are one and two story houses and are quite large. The ones I visited were very specious and were built to its tenants' needs. The size of the houses is reasonable even in urban terms and bearing in mind that dinner (or as is the habit in Israel, supper) is eaten in the dining hall, they are are very comfortable. Each house has a large lawn around it and there are no borders between the lawns of the houses.

After entering Amiad's gate there are two narrow roads which lead to the dining hall and to the factory. The residential houses are in the dining hall side and are connected by a network of foot paths which are used also for cycling. The residential area is somewhat remote from the factory but rather close to the car park and to some metal workshops and garages. The general impression is of a lot of green with still too much presence of the workshops in close proximity to the residential area. All the agricultural areas of Amiad are far from the Kibbutz as there is no agricultural land in the close vecinity.

The dining hall is large enough to accommodate the whole Kibbutz at the same time but is rather old. There is no view from the dining hall but it faces a large green area which is used for ceremonial occasions.

Amiad has a nice and big swimming pool and competitive swimming is highly encouraged. Though there are no agricultural land around Amiad and all the farming is in remote areas, there is a 'children's farm' which is taken care of by the children and for the children. The level of its success is not clear to me but it is definitely an attraction for the visitors.

### 13.2.3 History

The Arab name of the area in which Amiad is located was 'Geb Joseph' which means the pit of Joseph. Here, according to the tradition of the Arabs of the Galilee, Joseph, the son of Jacob, was sold to the Midyanites who took him to Egypt. Next to the Kibbutz there is a big pit with a small stone shack and an old Turkish Inn from the 15th century. The Inn, which is built on the ruins of a much older structure, served travellers from Damascus and Turkey to Jerusalem, Nablus and Egypt. This rout still existed in the forties of this century as the rout from the north to the south. Amiad was established in 1946 as a settlement of the 'Palmah', the operating arm of the 'Hagana' which was the military Jewish organisation aimed to protect Jewish settlements in Palestine against Arab hostile activities.

### 13.2.4 Population

The first settlers in Amiad comprised of graduates of the Ben Shemen Agricultural Secondary School and youth from two other Kibbutzim. Some of the people were Israeli born and some came from Germany, Poland and Czechoslovakia. At a later stage several other groups from Holland and the UK joined in. Through the years some Nahal groups as well as individuals from Israel, the USA, the UK, Latin America and South Africa joined Amiad to create very heterogeneous population. The oldest age group is now 65 - 70 years old. The population is quite evenly distributed between this age and boyhood. Amiad today has about 240 members and 200 children aged 0 to 18. The children live with their families and at the age 17 (the last year of school before the army service) they move to their own rooms but some of them still keep their rooms in their parents homes.

Most of the members of the founding group stayed in Amiad. Two large groups joined Amiad since its birth. These were group of Jews from the Netherlands and a group from Latin America. Figure 13-4 shows the population expansion of Amiad. There is a beginning of an archive in Amiad but information is not yet in retrievable state. The data was taken, therefore, from the annual financial reports I found in the accounting department and from the interviewees.

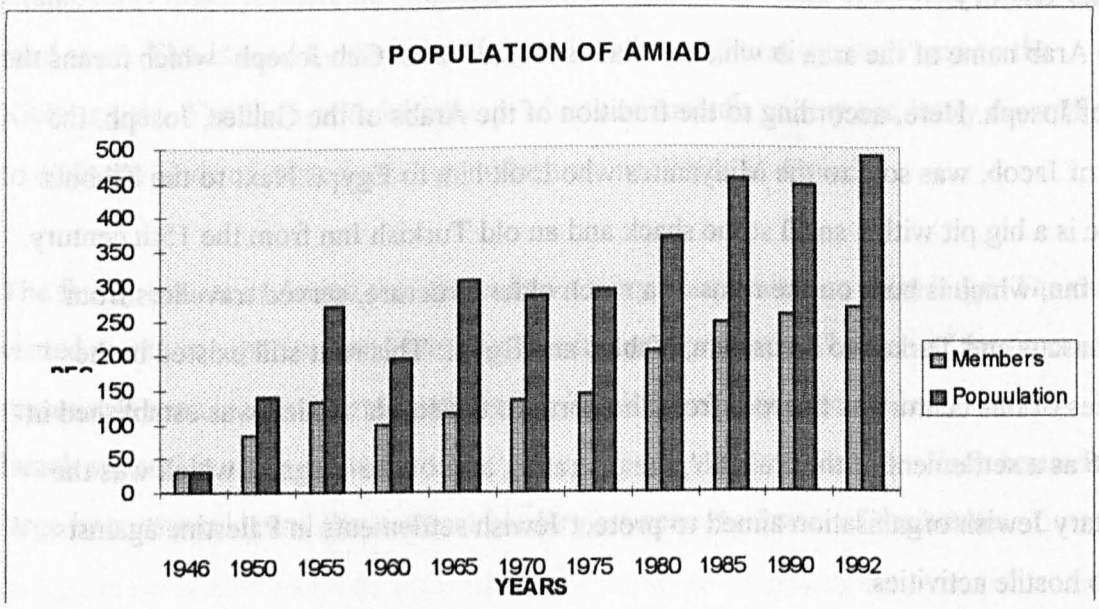



**Figure 13 - 4**

### 13.2.5 Education

There are no lists detailing the education level of the people of Amiad. From my conversation with several people I understood that education is considered important mainly at its negative side, meaning, not letting people study their subject of interest is a strong demotivator and can be a reason for leaving the Kibbutz. There are several Engineers working in the Kibbutz factory and some other professionals, a Ph.D. in computer science and others. The older generation has mainly professional non academic education while for the young generation pursuing a university degree is quite obvious.

A good example for the importance of education is RC's son who is enrolled in a very expensive sport boarding school. Sending him to the school was approved by the General Assembly without any problem because he was invited by the school. (RC's son holds several Israeli youth swimming records and is considered for the Olympics). His education is much more expensive than the average in Amiad but Amiad would pay for anybody like him as well as for children who need special education. Sending a child to a special school creates a problem beyond the financial burden on the Kibbutz. It is breaking the idea of common education and recognise supporting special talents or special care as a need.

NB does not consider common education to be a value. It was a value but now its more a matter of convenience and may be changed if necessary. Today it is of the interest of the individualkl member to get high education. This, and the fact that savings on education do not necessarily chabge the personal budget are, according to NB, the reasons for high investment in education in Amiad. NB himself studied both for first and second degrees in the university at an advanced age with full support from Amiad.

### 13.2.6 Economy

Amiad is one of the wealthiest Kibbutzim in Israel. It even bought its 'freedom' from the centrally managed mutual responsibility of the Kibbutz movement which became very significant with the arrangement concerning the huge debts of some Kibbutzim to the Banks. Amiad is now much more independent in its obligations as well as its investments and financial resource allocation.

Amiad is still quite strong on agriculture. There is an Orchard with apples, Bananas, Avocado, Kiwi, Pears, Mango and Litchi. There is field cultivation. There is livestock with chickens and cows for meat.

In the late eighties industry became the main income generator of Amiad. The main effort is a factory of irrigation, filtration and fertilisation products. Amiad also has a Winery for fruit wines and liqueurs. There are also small operations of computers, graphic design and graphics and photography. Not long ago Amiad turned also to the leisure and tourism industry. There are 22 rooms which operate on B&B basis with some entertainment for families with horse back riding and some nature corner with guides for families and children. Amiad uses the fact that it is right on the main road and built a shop which sells the products of the winery as well as other products of the Galilee. There is a health centre in development.

In the early days of Amiad working outside the Kibbutz was a necessary evil and was a significant contribution to the economy of Amiad. During the years people tried to avoid working outside the Kibbutz and concentrated on agriculture and industry. In the last

several years working outside the Kibbutz became more common in Amiad as is demonstrated both by working days invested and income generated. Figures 13-5 and 13-6 show the effort, in workdays, invested and the income generated by each sector.

#### 13.2.6.1 measure of Success

As in Cabri, there was a consensus about the importance of profits as a measure for success of all activities of economic nature, though each of the interviewees had his way to express this opinion.

**i. The Worth of Work**

GC states very explicitly that a successful branch is a profitable one and says that the only criterion is an economical one. There is no successful branch which is not profitable. NB explains that all productive branches are profit centres and should submit financial reports (unaudited). If a branch is chronically loosing it has to improve or cease to exist. He says that a similar mechanism can exist for outside workers though in practice it is not applied. NB also does not see any successful business which is not economically successful. About his own position as a partner in a consulting firm he says "I should be judged by the income I generate for Amiad".

**ii. The Importance of Work**

GC suspects that not enough thought is invested in finding work for the people. He says that, although there is no registered unemployment in Amiad, in practice there is some unemployment and some people look for jobs outside because they have nothing to do in Amiad.

To NB work itself is not a value. The value is in making a living. For him work is a tool for increasing the standard of living. Having said that, he supports keeping profitable businesses even though they do not maximise return on investment for members who are interested in it. No loosing business should be kept under any conditions.

**iii. Economic Value**

UC considers the separation of public social budgets from the economic operating budget, which was done five years ago, a radical change. This change led to financial monitoring of each economic branch. "Now costs and profits of economic ventures are calculated including labour cost" says UC. These are a basis for a workplan which each branch tries to accomplish. UC does not consider the process as a full success, but he sees a significant advantage over the old method (or rather lack of method).

**iv. Attitude to Money**

According to NB everybody perceives high standard of living differently and the only objective measure of compensation is money. No other interviewee referred in any way to the issue of money. Even when I tried to stimulate a discussion on money the only response was referring to money as means of improving standard of living with emphasis on the result and not on the 'money'. RC, for example, said she would like to have more money but admitted that trading the additional funds for direct benefits suits her very well.

**13.2.6.2 Investment Shift**

GC tells about the introduction of Industry: "Establishing the factory was not really planned. I went to a course on agromechanics which was about doing more efficient agriculture. I came back and began to develop machines to support our own agriculture. It was very successful and the demand went higher and higher. Gradually we found ourselves building a factory. The development was evolutionary. There was no objection from the other members, on the contrary, I had a lot of support". Looking at the financial reports of Amiad it was not possible to allocate invested funds to branches. It is clear, though, that a massive investment was made, probably in the factory, in the mid eighties.

In spite of the importance of the factory GC defines Amiad as a Kibbutz with a factory and not, as many tend to say about Kibbutzim with main industrial provider, a factory with a Kibbutz. There is no separate treasury and the factory's finance are taken care of by the Kibbutz treasury. The treasurer is the same treasurer for the factory and for the

Kibbutz. The accounting, however, is very accurate and it is exactly known how much the factory is making and how much it costs.

UC unveils plans to build a big shopping centre, in an area next to Amiad, with an outside partner. The planned venture is to be a limited company. UC acknowledges the difficulty of joining a partnership with a Kibbutz and says that no outside company wants a Kibbutz as a partner. A limited company owned partly by the Kibbutz is the perfect solution for him and Amiad is also a lot happier this way because it keeps the Kibbutz itself as a whole unit with no outside interests.

GC points at the 'Zimers' (the hostel) which was developed in a similar way to the factory. Amiad had some empty houses which were built for volunteers, years ago, and were not in use. Somebody came up with the idea of letting them on B&B basis using the extra space of the dining hall. The general assembly discussed the matter and approved a development budget. It was not an ordered business venture with a business plan. Somebody had an idea and pushed it forward. GC claims that the criteria for checking any new venture are only economic, there are no other considerations.

GC says that refusing new ideas does happen, though not very often. As an example for a rejected idea he mentions an initiative to build flower plantations. One member brought up the idea but the general assembly decided that it is not suitable for Amiad and the idea was dropped. In general when somebody brings an idea it is considered economically be it industry, service or any other sector. There is no preference to any of them, the only consideration in resource allocation is profitability. Any activity which generates income is considered to be productive. GC mentions the winery and the shop and says that they are not very successful but they are earning their keeps and have high hopes for the future. Agriculture in Amiad, on the other hand, is still very successful and there are no doubts about keeping it.

RC sees production and services as equally valued. Both are needed and people have to generate needed services or a needed income. There is no way to differentiate.

According to RC it does not matter if they work in the factory, in the dining hall, in agriculture or teach in the school whether paid by the government or financed by Amiad.

GC says that anybody in Amiad who wants to work outside the Kibbutz can do so. The problem is that outside workers have a tendency to trade salary for perks making Amiad losing income. Amiad uses the standard salary of the regional Kibbutz Industry as a measure for day's work worth but in practice there is no official salary threshold for outside workers. If the salary of a worker is lower than the standards he can still keep his position outside. GC claims that Amiad does not benefit much from its outside workers. The problem especially concerns teachers and social workers whose salaries are, sometimes, very low.

The rate of outside workers in Amiad is a little over 10% but GC can't recall a case of direct hired labour in order to enable any Amiad member to go and work outside. Though theoretically speaking every outside worker is replaced by somebody who might be a hired worker. Altogether there are about 30 hired workers in Amiad including education workers. GC's opinion is that in order to create a way of life which keeps people happy, some of the people have to be allowed to work out of Amiad. Some people, GC admits, want very much to work out of Amiad. Amiad should not and does not stand in their way. There is a person who wants to work in the municipality in immigration absorption. Some members tried to convince him to stay, but nobody is going to stop him. He will generate lower income than his work day in Amiad. His job satisfaction, though, is more important than the income difference. Very few outside workers generate more than the real equivalent of Amiad workday, according to GC. It simply increases the cost of a day in Amiad. However, most people who work outside Amiad do not have a suitable job in Amiad anyway. "You cannot take a person who was the factory manager for several years and is now working out of Amiad in a managerial position and put him in the assembly line" claims GC. In GC's case there is no problem since he is generating a good income. But even if he was not, it was better if he was satisfied than generating more income at a price of total dissatisfaction.

RC describes the practice of getting an outside job. If somebody wants to work out of Amiad he needs the approval of the Kibbutz (ei, the general assembly). RC approves of people working outside Amiad. She favours the need of the general assembly approval as well. There was a woman who wanted to be a beautician but she did not earn enough to keep herself. Amiad invested in a place for her in a nearby town and she worked for a while. But expenses were higher than the income. After a while she was asked to stop. The result was that she left Amiad. RC thinks that Amiad treated her fairly even though, personally she regrets the woman's living Amiad.

NB says that he faces no problems in working out of Amiad and does not identify any difficulties from the Kibbutz side as well. NB says that his partners did not want Amiad as a partner because they were interested only in him. The situation was presented to the General Assembly. There were some discussions and some problems were raised, but finally the General Assembly agreedto the proposed arrangement and NB a partner in a consulting firm. Practically NB's status is the same as anybody else who works out of Amiad. NB doesn't even have any problem with a situation of most of the people of Amiad working out of the Kibbutz. He claims that his connections with Amiad is not ideological or philosophical. He likes rural life, he has friends in Amiad, he has some interesting duties and his wife and children are happy here. There is nothing ideological about it.

NB's vision is that in a good community the members of the community will be doing the 'good' jobs with many of them having good outside jobs. The unwanted jobs will be occupied by hired workers. If the community will be primitive, the members will be the workers with very few managers. NB thinks that in a way the number of people who work outside, instead of doing unskilled work in Amiad, is a measure for the quality of the people. For him the fact that they generate their contribution outside Amiad is not a problem.

Figure 13-5 shows the income distribution of Amiad by the different types of businesses:

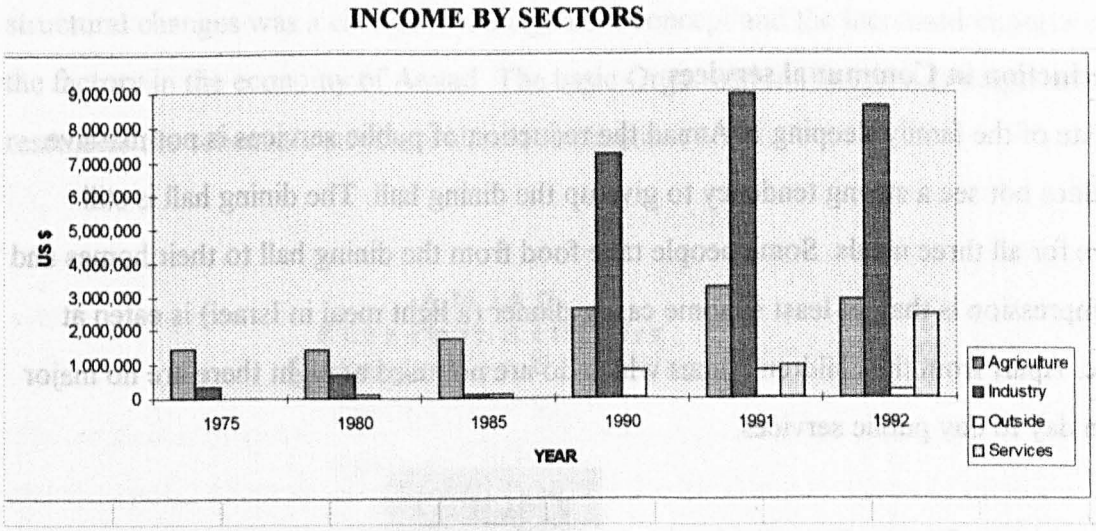



**Figure 13 - 5**

### 13.2.6.3 Human Resources Shift

When discussing the human resources shift in the specific case of Amiad it has to be born in mind that industry itself began as minor technical service for internal clients. Only in the late seventies more effort was invested in the factory to make it a major income generator in the late eighties. Figure 13-6 shows the change in human resources investment in Amiad.

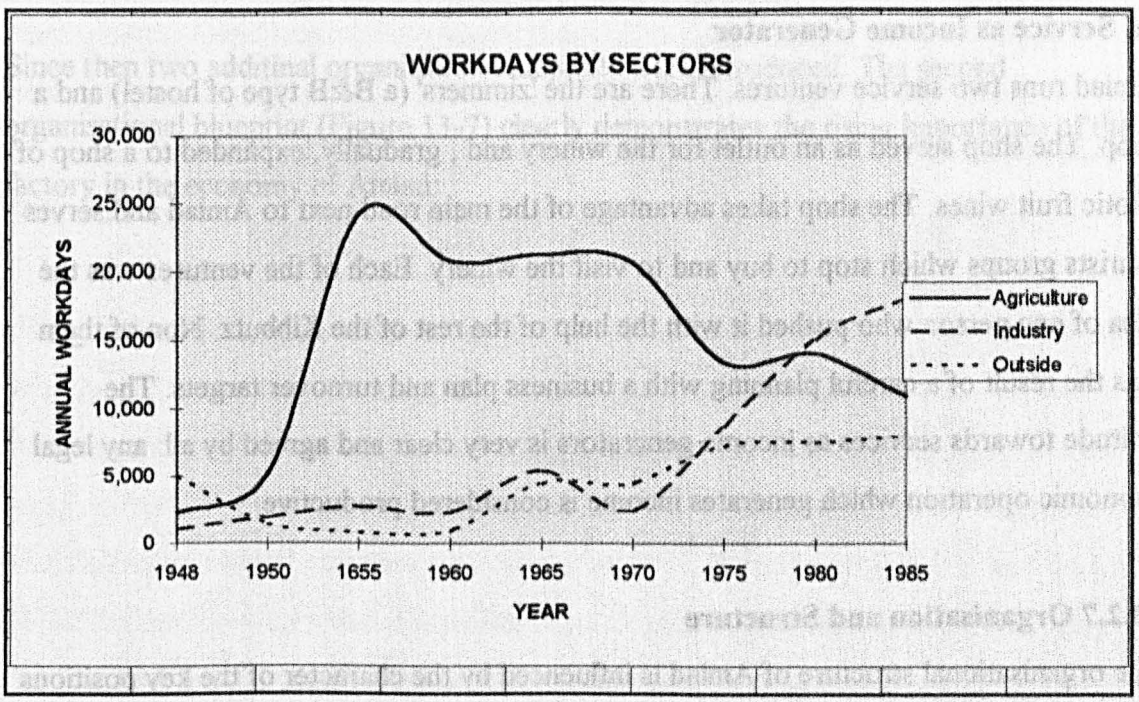



**Figure 13 - 6**

**i. Reduction in Communal services**

In spite of the family sleeping in Amiad the reduction of public services is not massive. GC does not see a strong tendency to give up the dining hall. The dining hall is still active for all three meals. Some people take food from the dining hall to their homes and my impression is that, at least in some cases, dinner (a light meal in Israel) is eaten at home. Apart from the children homes which do are not used at night there are no major cut in day to day public services.

**ii Family as a Service Provider**

Amiad moved to family sleeping eighteen years ago. The family homes were expanded accordingly and some of the services formerly provided by the community are now provided by the family. RC would like Amiad to acknowledge the family home as a service provider by refunding the household for meals eaten at home since these are based on food bought and paid from the personal budget and practically reduce the load on the public budget.

**iii. Service as Income Generator**

Amiad runs two service ventures. There are the 'zimmers' (a B&B type of hostel) and a shop. The shop served as an outlet for the winery and , gradually, expanded to a shop of exotic fruit wines. The shop takes advantage of the main road next to Amiad and serves tourists groups which stop to buy and to visit the winery. Each of the ventures was the idea of one person who pushed it with the help of the rest of the Kibbutz. Non of them was the result of a careful planning with a business plan and turnover targets. The attitude towards services as income generators is very clear and agreed by all: any legal economic operation which generates income is considered productive.

**13.2.7 Organisation and Structure**

The organisational structure of Amiad is influenced by the character of the key positions holders. In the recent past there were few changes in the organisational blueprint and each change was induced by one person or a small group of people. The reason for the

structural changes was a change in management concept and the increased importance of the factory in the economy of Amiad. The basic Organisation Blueprint is simple and resembles the schematic structure shown in chapter 11.1.

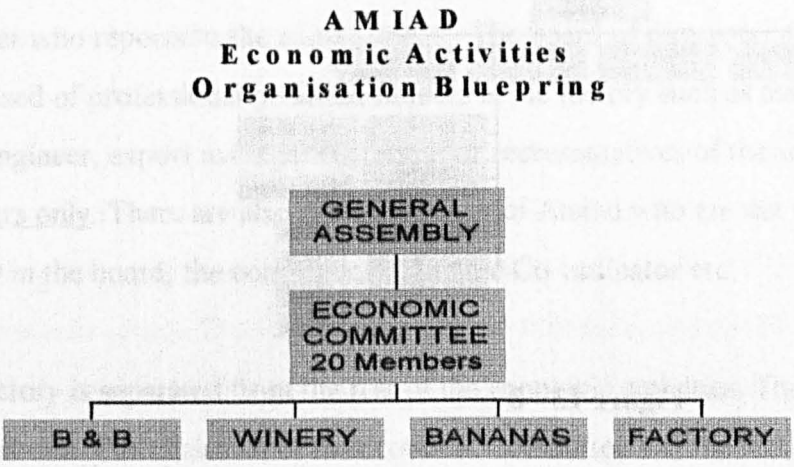



**Figure 13 - 7**

Since then two additinal organisation blueprints were introduced. The second organisational blueprint (Figure 13-7) clearly demonstrates the rising importance of the factory in the economy of Amiad:

**AMIAD**
**2nd Organisation Bluepring**

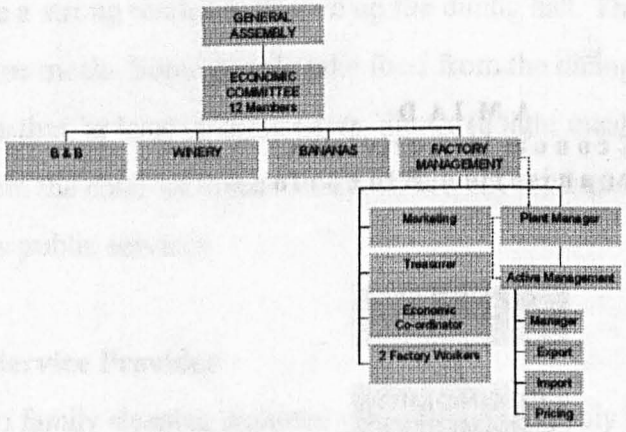



**Figure 13 - 8**

The third, recently proposed, organisation bluepring of Amiad (Figure 13-8) shows the more complex and innovative thinking of Amiad's business planners:

AMIAD
3nd Organisation Bluepring

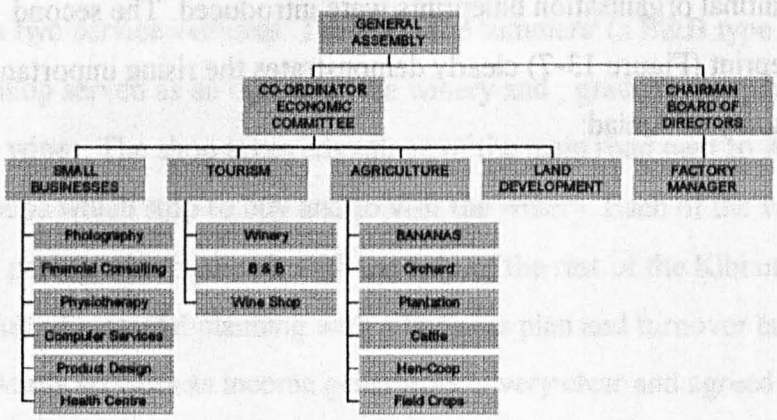



**Figure 13 - 9**

### 13.2.7.1 Introduction of Hierarchy

UC mentions the economic committee which is responsible for the economic activities of Amiad. Today the economic committee is a large committee (20 people). In the past it

has been a small committee and a large committee in different periods, according to the character of the people involved.

UC elaborates on the structure of the factory management: "We established a board of directors for the factory. Under it we have the factory management with the general manager who reports to the management". The board of directors of the factory is comprised of professional positions holders in the factory such as marketing managers, chief engineer, export manager etc, and four representatives of the workers - Amiad members only. There are also representatives of Amiad who are not working in the factory in the board, the controller, Economic Co-ordinator etc.

The factory is separated from the rest of the economic activities. The main reason is a personal one. The chairman of the economic committee and the factory manager did not see eye to eye in many issues. At that time action was taken in order to elevate the management standards in Amiad. The factory was separated from the rest of the economic activities and a board of directors was established in order to have a body which will construct a strategy, separated from the tactics which is the job of the management. As an intermediate stage there are only Amiad members in the board. The only questions raised in the General Assembly about this change were technical. However, the development of the factory is totally dictated by the General Assembly. Still, the new structure gives more freedom to the factory in day to day activities.

UC says that the Economic Co-ordinator was responsible, among other things, for the services and the budget of the secretariat. He did it in co-operation with the General Secretary. When NB was the Economic Co-ordinator, he wanted to change it. His idea was that the General Secretary is the head of the secretariat and should be responsible for all its activities as well as its budgets. This proved too much for one person and the job of the General Secretary was divided into two positions, the social General Secretary and the Administrative General Secretary. Many other jobs that did not exist before were added, among them the co-ordinator of the agricultural activities etc. The third

Organisation Blueprint (Figure 13 - 9) shows the complexity of the managerial activities in Amiad and the beginning of regular industrial type hierarchy.

GC says that the factory manager is always a member of the Kibbutz. Its not really a principle but there was no need for an outsider. About the directors he comments that the directors are representing the owners. The owners are the members of Amiad and therefore there is no need for outsiders.

### 13.2.7.2 The General Assembly

GC talks about the process of decision making in Amiad: the committees prepare the decisions to be discussed in the General Assembly. Officially the professional committees do not make decisions. In practice there is some decision power to the committees. Most committees are very careful not to abuse this power since the General Assembly can reverse any decision. The power of the committee is in the way they prepare the decisions. The 'Members' Committee' is more independent than other committees. Some committees have a budget for their activities and they operate within the budget. All committees are under the control of the General Assembly. The control, however, is not very formal and not very tight. The factory has a board of directors which makes policy decisions and the factory management is responsible for the operation.

GC considers Amiad as a real direct democracy. When there were 30 members there were members meeting and everybody came. Now there are 230 members and participation is poor. Decisions were made either by the committees or by 30% of the people now Amiad went back to Direct Democracy. NB also considers the democratic process in Amiad to be a direct democracy since job holders are elected by the whole population. There is an informal active group that does not make decisions but has a lot of influence. This group is of people who hold or held managerial positions. It is important to note that this group never failed, so far, in any activity. No business collapsed in Amiad because it was managed by the wrong people.

NB says that in social matters the democratic process is more truly direct and most people make their own decisions. If a group of managers will recommend some investment or partnership it is very likely to be approved. If, however, they will recommend some operation which will include lowering the standard of living, they will have less influence. The members decide by their vote how much power the recommending committee should have and each single issue is different. The public reserves the right to turn over any decision made by a committee. NB says that professionalism goes as deep as the decision making process. Therefore there is more power to representatives in professional matters than in social issues.

UC comments on the direct democracy that, for membership in committees everybody elects from everybody. "We take the list of all Amiad members and put them all for vote. A short list of 10 or 12 is put to vote again for the final election. All Amiad members participate in the vote". This is a new process which UC introduced during his position as general secretary.

GC says that now, when the General Assembly meetings are transmitted on TV, physical participation is very low while passive participation through viewing is very high. "I myself stopped going to the meetings since the meetings are transmitted on TV". All votes are made by polls and not in the meeting itself. Polls were started since it was realised that there is no way to bring people to the meetings. GC says that democracy went from direct to representatives, in practice, and back to direct democracy. In the interim period power groups and lobbies were formed. Concerned parties formed lobbies and made the lobby come to the meeting and vote. This was the main reason to implement the new method. The old method of straight direct democracy created democracy of representatives or rather democracy of interested parties.

#### 13.2.7.3 The Rotation Principle

GC says that the General Manager of the factory is chosen by the General Assembly through a poll. The rotation rule is kept in Amiad. However, GC comments that, though there was not even one manager who failed, there has never been a case of such an

excellent manager that deserved breaking the rotation rule. A manager is usually in office three to four years.

UC thinks that, in the long run, Amiad will not always be able to provide a good factory manager. Positions were added in order not to have all the responsibility to the factory on the manager, in case an outsider is chosen for the job.

### 13.2.8 Family and Communalism

Amiad seems to pay a lot of attention to people. The strengthening of the family is a process which Amiad joins rather than fights, even if it bites in the communalism territory.

#### 13.2.8.1 Communality

The most significant demonstration on the strength of the family is the fact that on Saturday nights the dining hall is closed as a result of very poor use. In all other days the dining hall is full. It seems that in Amiad the deterioration of the communality is slow, but its happening.

RC wants more family in the ideological level. "In principle I don't like the equality idea". This declaration sounds radical, but in the context it can be interpreted as opposing the communality and partnership aspects of equality. RC looks for more family and less partnership. Most of the decisions, according to RC, are family decisions. RC doesn't like the requirement of the Kibbutz approval. She claims that if Amiad will not approve of her decision, about her sons' education for example, she will find it very hard to cope with. RC does not recall, though, such a case in Amiad. She wants more freedom in day to day life, or as she expressed it "I want more space".

GC talks about the changes and says that Amiad in the early days is not even similar to what it is today. "There was a teacher who brought himself an electric kettle. He was not left in peace until he gave it to the children's home. When somebody brought the first radio he was forced to give it back and the Kibbutz decided to buy radios to all the members. The same process happened with curtains, air conditioners etc". GC claims

that there was not even one case of somebody buying a new item with other people left to struggle to get the same item on their own. All these changes, according to GC happened very slowly and with no problems.

NB's scenario of the future is some kind of a co-operative with limited mutual responsibility and with equal share to each of the members. The shares can be sold only to the co-operative itself or to third party through the co-operative. People will have basic security and welfare but will still have to work to maintain their standard of living. NB finds no problem for Amiad's economic ventures to become a public company with all members as share holders. Going public with a share issue to outside buyers can be used as a tool for investment. The members will be issued some of the shares and retain ownership.

#### 13.2.8.2 Family sleeping

Amiad went to family sleeping about 19 years ago. Most of the houses presently in use in Amiad were built with family sleeping in mind. The decision was that until the age of 14 children sleep with their families. From the age of 14 on they sleep in children's homes. In practice they stay with their families longer but have also their own room in the children homes. RC grew up in common sleeping and decided very early in her life that her children will grow up with the family. Her first son is the first in Amiad who never slept in children's home.

GC thinks that family sleeping contributed to the segregation of the family. He is not sure, though, what came first. Whether family sleeping caused more family life or the other way round, the desire for more family life caused the family sleeping.

#### 13.2.8.3 Personal Budget

NB comments that the common treasury is not the same as before. In practice NB says that the present situation is close to having salaries. When the decision of having salaries is made, the question will be whether all salaries should be equal or not. This, according to NB, will create many problems. NB claims that if salaries will not be equal Amiad will

not be a real Kibbutz, even if the mutual responsibility will not change. It will be a group of 250 people with common investments in insurance and production assets, with some social connections and similar preferences in some areas of life. NB can not anticipate where the process of reducing the partnership will end. He claims that most of the people in Amiad do not want differential salaries from pragmatic reasons. The present way is convenient. They lived for years without the need to worry about making a living and they do not want to worry about it now. From this respect, according to NB, any change is perceived as a threat.

GC says that the personal budget is comprehensive and includes almost everything which was on public budget before. Members of Amiad get even food for home on their budget. The formation of the personal budget was a process which followed the wish of the people. Objections were not serious. GC perceive it as a very positive change. People want to make their own decisions on how they spend the money. Equality is expressed in the uniform size of the budget.

**13.2.8.4 Family Network**

NB says that most members of Amiad have private property, though non of them have production means. This presents a problem which is very difficult to solve and therefore nobody touches it. NB's own shares in his consulting firm are his own only in a formal way. He can not take any money from the firm not through the Kibbutz. It is though, he admits, a radical change from a normal job outside the Kibbutz.

According to GC Amiad does not allow the ownership of private cars by members. Some members, however, keep private cars which are not registered on their names. The vehicle committee is working on a 'private cars rules'. GC anticipates changes in private property, including the ownership of private cars.

RC would like the possibility to have private property. She wants a private car, though she does not care about the ownership of the car. She needs it functionally and needs the freedom of use.

UC mentions a serious problem in many Kibbutzim, which is the compensation from Germany to Holocaust survivors. In Amiad there are several Holocaust survivors. The money they are paid is theirs. It is deposited with the Kibbutz treasury which keeps it in solid investments. In the past the approval of a committee was needed in order to take money out. Today the secretary can approve it. Amiad, UC claims, is becoming less rigid in all aspects of personal and family life.

### 13.2.9 Standard of Living

Amiad has all the modern technology at its disposal. Accounting and budget control are fully computerised. At the household level all the modern house hold equipment are standard in every house and there is an internal TV network which is used for transmitting information, general assemblies and movies.

UC says that Amiad advances through solving problems. He says that he himself discovered, to his surprise, that some things which were trivial in Amiad are considered radical and revolutionary in other places. As a Secretary UC attended many seminars on Organisational change and realised that computerised budgets for individual branches, for example, are a novelty in many places, while in Amiad it is applied for years. The people of Amiad do not get hysterical about any problem, UC says. "The problems come from the bottom. We solve the problems to the satisfaction of the members and that way we gain co-operation in applying the solution".

#### 13.2.9.1 Imitating the City

GC thinks that the standard of living in Amiad is, in many aspects, higher than that in the city (higher than the 5th or 6th decile), especially in the publicly budgeted items such as education and health. He does not think that Amiad has the city as a model. Member of Amiad want to increase their standard of living in what they think will improve their lives and not as an imitation of any model. They want a TV. They want a second TV in the bedroom. It has nothing to do with the city. This process of change is, according to GC, a simple desire to improve the standard of living. If a member of Amiad can buy something he wants, he will do so.

According to NB the Kibbutz community is turning to a normal suburban like community. There is no ideological flag, nor is it necessary. The Kibbutz may develop to be a group of families with common interests and partnership in assets.

**13.2.9.2 Private Consumption**

RC claims that she did not see any radical change in the last 20 years. She does want a change. She wants to have higher standard of living, especially a bigger house. Home consumption in Amiad is through private purchase in the Kibbutz shop since she was married and she did not have to experience any change in this respect.

GC comments on the separation between contribution to consumption to be total and not very likely to change. "This is not a problem which hurts anybody in Amiad". He says that the increase in private consumption is not only the result of an improved economic situation, but rather the result of a specific set of priorities. The people decided to increase the private consumption over the communal consumption. He pointed out the fact that Amiad is still using the old dining hall. As a principle Amiad never increased the standard of living above its ability. "We never took large loans, however attractive they were. The people decided to act conservatively".

NB does not think that future trends will create 'poor Kibbutz members'. The standard of living in Amiad has risen in the last 14 years and NB thinks that Amiad keeps pace with the rising standard of living of the urban society. Having said that he doesn't perceive the standard of living at Amiad as high. NB puts Amiad a little above the average in the country, not more. He admits that there are many Kibbutzim in very bad economic shape. The reason is, according to NB, that they did not adjust their standard of living to their ability and consumed their own assets. NB considers Amiad to be very conservative. "We never went to high expenses without clear idea where the funding comes from. We are very careful in our investments and with our standard of living". NB sees a problem in controlling the standard of living "The standard of living is not very

flexible and is easy to increase and difficult to lower. It is not like a family with immediate response to lack of money".

RC does not like the separation of contribution from consumption. She admits that she never thought about it in practical terms but the fact that people who work 12 hours a day have the right to consume as much as people who work 6 hours a day, with all other things being equal, does not seem to her proper. Appreciation and recognition are not enough for RC and she expects compensation for extra work. Though nobody forces anybody to take more work, RC says, and the people do it on their own choice, they should be rewarded accordingly. RC says that people should be rewarded according to the amount of effort they put in, not according to the income they generate and not according to the alternative they have. A teacher who work 50 hours a week should get as much as an engineer who work 50 hours a week and they should both get more than anybody who puts only 30 hours per week.

#### 13.2.9.3 Non Material Benefits

RC thinks that most people in Amiad are satisfied since they can choose what they do with a large degree of freedom. In the past there were jobs that had to be done. Not any more. "If we need a child minder and nobody wants the job, we hire somebody for the job. Personally I prefer a hired professional than somebody who was forced to take care of my child".

#### 13.2.9.4 Social Security

RC finds the total mutual responsibility very convenient. She thinks, however, that having no limits is taking it to extreme. People forget that Amiad has limited resources and there is some misuse of the principle.

NB thinks that, so far, the unlimited mutual responsibility is not hurt by the decrease in partnership and increase of the familism. However, he says that the Kibbutz in general and Amiad is no exception, is changing rapidly and the changes may affect the unlimited responsibility as well.

GC counts food in the dining hall, conventional health services, education, laundry etc which are still provided unconditionally. Non conventional health services (alternative medicine etc) are financed by Amiad to 50%.

NB considers Amiad to be very spendthrift in the publicly provided items such as education and health. He claims that Amiad could get the same quality of education for less money. He believes that even the education is going to change. Amiad will realise the wastes and will be choosy. NB does not exclude the possibility of a situation in which education will have a standard and anything above the standard will be paid by the people from the personal budget. This, he claims, can come only when people will get salaries.

NB raises the problem that upon leaving the Kibbutz the member turns, in one act, from owner of assets to owning nothing. In Amiad the pension fund as well as some kind of severance pay belong to the members and can be redeemed upon leaving. The assets as well as the housing etc remain in the Kibbutz. The Kibbutz member does not retain ownership of the assets. On the other hands he did not pay anything when he joined.

### 13.2.10 Ideology and Principles

I was not aware of any deep concentration on ideology and principles. Amiad is a very pragmatic community. The pragmatism helps not to make a 'big deal' of practically anything. Each problem is discussed when it comes. The attitude to ideology had to be deducted from the discussion of practical problems.

#### 13.2.10.1 Adherence to Agriculture

Amiad is located in a very inconvenient location for agriculture. All its agricultural land is in remote areas and land quotas are small. These created an incentive for developing alternatives to agriculture. NB still wants to preserve the connection to the land. Most of the people of Amiad want to have agriculture but not at a price of running a loosing business. However, if there will be a group of people dedicated to an agricultural business and they will earn their keeps, NB says that Amiad will definitely keep the

business. "We will keep a profitable business which does not maximise the return on investment for the people who wish to have it, but not a loosing business".

**i. Agriculture and Alternatives**

UC thinks that in several years all agriculture will be one branch and loosing activities will be dropped. Bananas, for example, do not have any future for Amiad and should be dropped (Amiad have some Banana orchards next to the sea of Galilee about half an hour drive from the Kibbutz).

**ii. Attitude to Agriculture**

NB says that the agricultural businesses which need hard physical labour are not economically successful today and not appreciated by the members of Amiad.
GC doesn't see any ideological problem with having no agriculture. It is not very likely to happen since Amiad have a lot of agricultural resources. There is agricultural land, there are water quotas and there is the knowledge. But it is not a principle. In the past the whole world was more agricultural. 200 years ago 80% of all production was from agriculture But, for GC agriculture is not a value. It is a normal income generating activity.

RC thinks that agriculture is good for Amiad because it strengthens the connection to the land. But times are changing. RC notes the change in agriculture in having more agriculture for industry and less for food. She does not have any problem with having less agriculture or even no agriculture at all. Amiad has to make a living, and it does not matter to her through what economic activity.

**13.2.10.2 The Self Sufficiency Rule**

There was a consensus among all interviewees that self sufficiency in the autarchic meaning is not reasonable and totally irrelevant.

**i. Open System**

NB says that the mutual responsibility between individual Kibbutzim is a myth and nobody takes it seriously. Neither is it important, according to NB, to maintain any connection with other Kibbutzim. On the contrary, it is important not to have any connection. NB does not want to support failing communities. The mutual support allows communities to be economically weak without paying the price. The end result is that Amiad pays other people's debts. Amiad supports its own standard of living and NB expects others to do the same.

**ii. The Economic Aspect**

NB claims that some Kibbutzim worked with very high gearing. No commercial firm could allow itself such high gearing. Amiad also took a big debt. Too big to his opinion. NB claims that Amiad was lucky because their debt was not impossible and the business was successful. Amiad, according to NB is successful because of a combination of prudence and luck. He still thinks that Amiad's gearing is too high.

NB thinks that Amiad has to create a mechanism to make sure that workers generate at least a certain minimal income The reason for not having these mechanism is not economic. Amiad, like other Kibbutzim, was busy with other matters. Implementing a new concept takes time. Kibbutz is not a private business and no change can be quick. All decisions are applied in total agreement and any decision threatens some of the population. NB brings the example of nurses and teachers.,They may find themselves hurt if the agreed minimum income is higher than what they earn. The solution, in NB's opinion, have to be technical and not in the way of forbidding the outside work. This mechanism does not exist because it still have not been developed.

**iii. Social and Ideological Aspects**

NB says that one of the reasons for turning away from ideology is the price paid by the Kibbutz movement and individual Kibbutzim for sticking with it. Those who adhered to principles almost paid with their existence. This, in the long run, reduced the attractivity of the ideology.

### 13.2.11 Needs, Contribution and Compensation

Providing the needs of the individual was always very important in the Kibbutz movement. During its history Amiad did argue the needs of its members but tried to fulfil every additional need, applying the equality principle in full.

#### 13.2.11.1 Welfare Policy

RC wants the good education and the health services Amiad provides. She is willing to give up the dining hall completely. The way children are brought up, from birth up to the army service (the age of 18), is very good in her opinion. She did expect more help, though, when faced some problems with her older son who had difficulties in school. She claims to have suffered a lot of criticism for her part of his education and expected more help. Her second son, however, gets very expensive education in order to support his extreme talent as a swimming champion.

#### 13.2.11.2 Choice as a need

RC sees Amiad as very close to the urban life in many aspects and she approves of it. As a matter of fact she claims she could live with even more urban aspects. She would not like, though, to live in a city. It is not a matter of principle but rather a matter of pure convenience. RC thinks that this is the case with most people, only they are too embarrassed to admit it.

#### 13.2.11.3 Needs of the Community

NB found that working out of Amiad was not a problem even when he joined 14 years ago. However, an arrangement such as the one he has now was not possible then. Amiad, like other Kibbutzim, is in competition with Kibbutz alternatives. It must create such conditions that people will not leave and go to live somewhere else. Many Kibbutzim have many good people leaving because of no proper occupation. A kibbutz is a small community and it can not offer good jobs to everybody. Amiad, as a small Kibbutz experiences this problem very seriously.

In spite of his own exceptional arrangement NB doesn't see it as a radical change. Amiad is not ready yet to deal with people who work outside at a policy level. Therefore, there is no standard that an outside worker has to achieve. A worker in Amiad is a partner in an operation. The success of the operation is the worker's success. An outside worker have to be measured by the income he brings to the community. NB's feeling is that, in general, outside workers do not try to generate as much as they can. NB points at the trade off between perks and salary as the source of the problem. The fact is that, on the average, people who work out of Amiad do bring income which is lower than the average day earning in Amiad. Since Amiad is not a competitive place this situation can exist, though there is some informal criticism.

### 13.2.12 Shift in Prestigious Positions

GC does not think that prestige has any meaning in Amiad. Lately there were three candidates for the position of factory manager. The position carry with it some benefits such as a car, travels etc. But this is not very important now. Amiad's marketing person spends about half of his time out of Israel. Most of his travels are not very attractive. GC admits that there is, though, some glamour in travelling abroad. But, after all, the world is now like a small village. Some people have to travel since export is about 80% of the factory's sales and it is impossible to export without travelling.

GC does not see any special prestige in managerial jobs. Working outside with perks is very much sought after, but more for practical reasons than for prestigious reasons. There is one member in the municipal establishment, this is prestigious. RC sees no prestige in public positions. A General Secretary is a position which should be manned. Most people do not like doing it, some are not capable of doing it, but its a job that has to be done. It was a very prestigious job in the past but not any more, maybe because it is a very unthankful job. The General Secretary is the social worker of the Kibbutz and social workers do not have prestigious status. Economic Co-ordinator, on the other hand, is more of a professional job, like a company manager and is more appreciated. RC does not think there are many prestigious jobs in Amiad at all.

NB considers the factory manager to be prestigious. The social issues are less central in Amiad than the business issues. Also, the social issues are hard to deal with. They are concerned with the inability to change the situation. The social jobs are very tedious and very tiring. It has to do with people and their needs and desires. All these take the prestige out of a job.

NB also thinks that the most prestigious job in any Kibbutz is a manager of a profit making industrial business. The success is what makes the job prestigious, not the job itself. There is no prestige in failure. In Amiad it is quite easy to succeed, since the business is successful. Being elected to the position of the factory manager is a recognition of good qualities. There are no hired managers in Amiad. NB says that the system supports the managerial job holders. By doing that, the risk of bad management is minimised. On the other hand NB thinks that this approach creates mediocrity in managerial jobs. So far Amiad is confident enough not to turn outside for managers. Managerial job are prestigious and there is a lot of demands for these jobs. It is not a principle, people do not want to waste the good jobs on outsiders.

NB thinks that in failing businesses the 'shareholders', in this case the members of the Kibbutz, do not trust the leading group with the managerial jobs and demand outside managers. In Amiad this is not the case. NB can see himself taking managerial position in Amiad. Factory manger yes but not General Secretary.

### 13.2.13 Summary - Amiad Profile

The general impression of the culture of Amiad is different from that of Cabri. I had a strong impression of conservatism which was expressed in reaction to changing conditions as opposed to anticipating the change which I found in Cabri. To put it in the words of one of the interviewees: "Amiad advances through solving its problems". It was even expressed in the way the interviews advanced. While the people of Cabri were very co-operative and eager to talk about their Kibbutz I found the people of Amiad more reserved. I did not suffer from lack or co-operation and I did not have a feeling that

information is hidden from me, but I had to take a much more active part in the interview than I had to do in Cabri.

I did not find any strategy of expanding or shifting the direction of efforts and except for a plan for a shopping centre which is still at the level of an idea I did not find any plans to protect Amiad from changing environment. It is possible that Amiad is so successful economically as well as socially because of its conservatism. It seems that while the people of Amiad are reacting to changes and solving their problems only as they come, as opposed to the people of Cabri who try to anticipate the problems, the way problems are solved in Amiad seems to be a good one. Each problem is tackled at its roots and solved completely, never to appear again. There are no temporary solutions.

The conservative nature is embedded in the culture of Amiad and includes also the processes of change. In the process of approving of people working out of Amiad, which is a new trend in Amiad, RC, while favouring the process and the tendency to approve working out, wants it to be controlled by the general assembly. The change is favoured but the process is done in a conservative way. It seems that in Amiad, the culture is that the Kibbutz is very conservative and the innovation is left to the individuals. Of course, this innovation is supported but, again, in a conservative way. The combination innovative individuals in a conservative community created a community of strong economic basis with some social changes in a process which is very similar to that I found in the innovative community of Cabri.

#### 13.2.13.1 Culture - Life Style and Value of Work

Life style as can be judged from observation resembles very much that of Cabri with slight differences expressing the conservative nature of Amiad. Reduction in public services is not significant and the dining hall is very much in use in spite of the well equipped kitchens in the family homes. While in Cabri I entered the dining hall only when my host showed me the Kibbutz. My hosts in Amiad invited me to have dinner at home and breakfast in the dining hall. On Friday night, for the Sabbath dinner, the dining hall is closed in Amiad and the people are eating with their families. The increased power of the

family is seen but in a more conservative manner than in Cabri. It seems to me that the importance of the individual and of the family is the new ideology which effects all other areas, even though only one interviewee explicitly said so. This ideology seems to be stronger than the orthodox communality and the present value of work. In spite of that the issue of private property is not officially dealt with and so is the issue of differential salaries. Other services are, also, more conservative, though my impression was that the level of services provided to the members is not by any means lower than in Cabri. While Cabri established an inner Car Rental service to achieve satisfaction of 85%, Amiad owns a number of cars that makes such a service unnecessary. The level of satisfaction was not low enough to make a problem of this issue. There were no complaints about the economic condition of Amiad and there was no concern about the future. These are significant to solid economic conditions. One interviewee, though, wished to have higher budget in order to increase the standard of living.

There were no lists available of the people with their level of education. My impression is that the level of education in Amiad is lower than that of Cabri. From the interviews it was clear that the importance of education, mainly for the young generation, was recognised in Amiad. While the basic education (12 years) was always important, including special education for the youth, higher education became important as a reaction to demand. There is no study programme for the young generation such as in Cabri or Sdot Yam (see section 13.4). Probably due to the nature of Amiad and the fact that Amiad never suffered from high leaving rate. In practice any member of Amiad who desires to acquire higher education may do so. Sending a child to a special school creates a problem beyond the financial burden on the Kibbutz. It is breaking the idea of common education and recognise supporting special talents or special care as a need.

The value of work has changed in Amiad long ago and is now directed towards profits. One interviewee even stated it explicitly saying that work is not a value. Success equals profits and there is no success without economic success. There is no differentiation between productive and service operations and any activity which generates income is considered productive including working out of the Kibbutz. Here I identified a more

ideological approach in the tendency to let people develop in their preferred direction even if it will not optimise return, as long as it is profitable. It is a changed ideology from supporting the community to supporting the individual. In spite of the fact that most of the outside workers are making less than the average work day in Amiad, all interviewees favoured the approval of working outside. It seems that while in Cabri the policy precedes reality. In Amiad the reality comes first. Problems are solved on the practical level and it seems to me that a permanent practical solution is applicable before Amiad is ready for an ideological solution at the policy level.
Generally speaking the notion of work is replaced by the notion making a living or generating an income.

### 13.2.13.2 Management - Decision Making and Investments

Investment in Amiad is not the result of a long range planning, but rather a response to short term development and individual initiatives. So was the investment in industry in the seventies. Success can not be attributed to long range planning but rather to careful and monitored investment in individuals' initiatives. This includes, in recent years, industry, commerce, leisure and outside jobs.
I have to say that contrary to what GC said about the accounting mutuality of the factory and the rest of Amiad, this was not the impression I had when I looked at the financial reports. It is a development of the last two years and now the factory is a limited company which has its own accounting system and issues its own financial reports. It is argued that having the same people doing the accounting for the factory and the rest of Amiad eliminates the possibility of secrecy and therefore of total financial independence of the factory from the Kibbutz. Separating the social budget from the operating budget and at the same time monitoring the operation budget are the first steps towards separating the business from the community. Amiad operates a very advanced computerised budget control system.

There is a recognition of the existence of class society in Israel. The struggle or rather the hope is to keep it out of Amiad. As NB said, a good community is a community of

managers with hired labour and a bad community is a community of workers with hired managers.

Amiad's decision making process is divided into two different types. Principal issues are decided by all members in a direct democracy process after a discussion in the General Assembly and voting in poll boxes. Professional decisions are taken in committees. There is a beginning of separation of the business from the community. Running the business is considered professional issue, except for few radical changes. Most social issues are considered principal issues.

### 13.3 Case III - Maanit, The National Kibbutz Movement

Maanit represents the leftist minority group of HaShomer HaTzair. It belongs to a Kibbutz federation which was explicitly identified with the left and in its initial days even with Soviet Russia. In recent years the differences between the leftist Kibbutz movement and the mainstream has diminished. Still, it is expected to find more leftist identification and more communality amongst its members. The main reason to select Maanit is its leftist afiliation. It is important to varify that the process of change in the leftist Kibbutz federation is in the same direction as the reat of the Kibbutz movement. In this respect the other charachteristics of Maanit, ie its weak economy and its dependance on its industry, should not hinder the validity of the main interest which is the direction of change and not so much the magnitude or pace of change. I visited Maanit three times during the research.

#### 13.3.1 The Interviewees

### 13.3.2 General Information

Maanit is an average size Kibbutz (just under 600 people). It is located in the centre of Israel in a purely rural area which is not considered very problematic from the security point of view. The entrance to Maanit discloses its age by a couple of old structures typical to the mid thirties. The residential area is very green and well taken care off. There is a car park near the entrance and a dirt road surrounding the Kibbutz. The inner parts of Maanit are connected by concrete foot paths which are used for walking and cycling.

The family homes are in the form of small, one story, terraced houses. The houses are quite specious. There is a medium size kitchen and enough space for a family size dining table. There is a large common lawn around the houses. The houses are well equipped with all the modern household facilities. The general impressionm of space and tranquility is not at all different from that of the other Kibbutzim in the research. I could not identify any difference related to Maanit belonging to a different Kibbutz federation.

### 13.3.3 History

Maanit was established in the mid thirties by a group of settlers from Hashomer Hatzair movement of Eastern Europe. It moved to its present place during the second world war.

Due to scarcity of agricultural land, a food factory was built next to the Kibbutz in which most of the Kibbutz members found employment. After the war of independence (1948) more land was allocated to Maanit and most of the human resources switched to intensive agriculture - orchard, vegetables, industrial plantations, poultry and cow shed. Maanit gave up its industry for agriculture in the spirit of the leftist Kibbutz ideals. In later years Maanit purchased back the factory which is operating very profitably.

### 13.3.4 Population

The founding members of Maanit were joined by youth movement members, young Kibbutz members and "Hevrat Noar". Maanit absorbed some urban families and lately some Russian immigrants.

The population of Maanit is 560 of which 330 are members. 28% are over 75 years old, 39% are between 31 to 55 and most of the rest are in the age group of 21 to 30. The number of children for a family is similar to the movement's average - 2.1 per family. The rate of leaving among second generation is 48% (Inner demographic survey, 1986, in Hatzor, 1991).

### 13.3.5 Education

The founding generation has almost no higher education at all. 47% of the intermediate generation has higher education, about two thirds of them with technological education. For the younger generation 15 years of education is recognised by Maanit as the minimum required today and all children are eligible to 15 years of education unconditionally. According to NR this is the minimum which he, as a father, owes his children.

For NG higher education was not important and she did not pursue it. The convention was that "you are a woman, why do you need to study?" and she was convinced. Some women went to study education or paramedical professions, but that is all. NG admits that today higher education is very important. There is a new approach, NG says, which

makes higher education a must. While it is a benefit for the children NG recognises it also as a benefit for the parents.

### 13.3.6 Economy

Maanit owns a food factory which is a limited company named 'Galam'. There are also several agricultural branches and a shop which is located on the main road not far from the Kibbutz. Maanit uses hired labour including the Economic Co-ordinator who was a member of another Kibbutz and left his home Kibbutz to work as a hired professional Economic Co-ordinator.

Income from agriculture peaked in 1967 to provide 62% of the total income of Maanit. In the early 70's agricultural income declined and losses were recorded. Several loosing branches were eliminated and people moved to other branches. According to AH the changes in the economic structure of Maanit created significant hidden unemployment. At that stage Maanit shifted the direction of its development. It purchased the adjacent food factory and invested large sums of money in it, most of it from loans. This move proved successful and in the early 80's the factory turned over $16 million annually with 8% profit on the turnover. The success induced the building of a new department for sophisticated food products. In 1983 some $2.5 millions were invested in the new department. The new department was supposed to start operating in 1986 and increase the turnover by $2 millions. In the early 80's a packaging house was built next to the factory with the main purpose of creating jobs for the old and the disabled as well as diversifying the work opportunities.

1989's financial reports show that 72% of Maanit's income came from the factory, 16% from agriculture and the rest from external jobs, national insurance (old age and family allowances) and miscellaneous. In 1991 38% of the work force was tied, directly or indirectly, to the factory which is among the fifteen largest in the Kibbutz movement. Most of the Kibbutz workers in the factory are engineers, technicians and professional production workers. Only 12% of the work force in Maanit is tied to agriculture and 24% in education and services. The last two areas employ mainly women.

In the mid eighties Maanit decided to build the factory of the 21st century with enormous investments of borrowed funds. This was in the midst of the highest inflation (the inflation reached a level of 400% annually at that time). The huge investment put Maanit in a debt of half a Million Shekels per member (about 100,000 pound). Maanit could not repay its debts and reached a danger of bankruptcy From the people responsible for the crisis one died and two left the Kibbutz. While a stupid investment does not ruin a healthy society it might do so when the debt per capita is around 100,000 Pounds for a Kibbutz which was, until then, very conservative and used to no debt situation. Most of the debt was created by the factory, however, it was transferred to the Kibbutz and the factory went public in a private share issue.

At present Maanit is operating profitably but is under heavy debts and is part of the general settlement between the Kibbutz movement and the Banks under the guarantee of the Israeli Government. Under this settlement Maanit pays the interest on its debt but does not repay the loan. AH claims that the economy of Maanit is managed by people who lack any economic education and do not understand the long term impact of what they are doing.

The newspaper 'Yediot Aharonot' of 16.2.1994 tells about the confiscation of German pensions money (German compensation for holocaust survivors) of members of Maanit by Bank Leumi for debts of Maanit to the Bank. The money was initially planned to be invested in Pension funds for all the members of Maanit who are over 30 years old. This plan, as well as the Bank's act, demonstrate both the inner communal side and the external problematic side of personal assets in the Kibbutz.

#### 13.3.6.1 Measure of Success

All interviewees agree that a successful branch is a profitable one. Everything is permitted for the sake of profitability including hierarchic management and hired labour. AH can recall that twenty years ago the attitude was the same.

Two interviewees (AH and NR) pointed at the cow shed as a successful branch "because it makes profits". The cow shed manager is one of the cow shed team and there is no

clear hierarchy as in the factory. However, NR notes that the profit made by the cow shed is minute compared to that of the factory. He points at several successful agricultural branches. Some are profitable and some carry a lot of potential. For NR there is nothing sentimental about it. A loosing branch without any profitable future should be dropped.

**i. The Worth and Importance of Work**

AH describes Maanit as a basically solid Kibbutz of hardworking people with no economic vision and no aspirations. The old generation is very united and very tough and all this unity and toughness were aimed against the reforms. The reason is total disappointment from the running after easy profits of the young generation, which, first of all was against their ideals and above that were not successful. The founders were for productivity and hard work. The new theories of profit making were not understood by them and their results were also very disappointing.

AH says that in practice there is no guarantee of full employment in Maanit. This does not effect the individual's standard of living since consumption is separated from contribution. There are penalties on members who don't work but the penalty is not significant and it is not clear whether this sanction is efficient or not.

NG preferres to work in a productive place which generates money. Her education promoted the value of the work itself anywhere yet she said: "I feel very comfortable with the fact that I personally bring money. It could be selling services as long as it generates income". The fact that it is not in agriculture is not important to NG who said: "When I got married and gave birth I wanted to work in the field but the conventional thinking was that mothers work in education. I tried to fight it but it didn't help. Maanit is not free from male chauvinism. I had to work in education because women have to educate the children while the men make a living".

**iii. Economic Value**

AH describes the Field Crops branch which is run as a profit centre. There is a manager and three hired workers. As a profit centre head the manager sold all the machinery inorder to sgow profit and now he buys services for twice the price of the sold equipment. Somebody raised the question of this activity but since this is under the umbrella of total separation of the business from the community nothing was done.

NG says that people want to work outside Maanit for the benefits or for the professional interest but not for the prestige. Most of the outside workers generate ridiculous incomes with nice perks. They do, however, have to generate above a standard income otherwise they can not work outside. Several members had to come back home since they did not generate enough income.

**iv. Ethical Limitations**

The economic crisis has practical implications which affects the ethical limitations. Maanit is not paying its debts. AH uncovers some plans to change the legal entity of Maanit, leave the debts to the old entity and start from fresh. This is technically possible since operationally Maanit is still 'in the black'. AH feels that the parent organisation, meaning the National Kibbutz Movement, abandoned Maanit anyway and will not sanction such an action".

**v. Attitude to Money**

AH ties the attitude to money to the ideological crisis which, in his family, is across the generations. He explains: "When we came back from our first position in Australia we gave the Kibbutz every penny we saved. This was in 1983. Now the standard is different. Maanit became just a place to live in, and not necessarily a very good one. Everybody who can work out of the Kibbutz do so. Even the people who led the organisational change do not work in the Kibbutz any more, they only live in it".

YB says that as a General Secretary he is busy mainly with the community. However, today the General Secretary can not be totally detached from the business. Every move is

measured in terms of money and this makes the connection with the business side most essential. "In the past we could make ideological decisions and we knew that somebody will get the money involved. Today we have to think of the money. We don't involve ideology with the business. We have no ideological sentiments to loosing businesses".

#### 13.3.6.2 Investment Shift

As mentioned above Maanit shifted to industry after suffering big losses in agriculture. Almost all investment in production means are directed to the factory. According to all interviewees the factory has such a level of independence that it does not need any investment from Maanit. On the contrary. YB says that the board of directors allocates some of Galam's profit to Maanit and all the rest is invested in developing the factory.

#### 13.3.6.3 Human Resources Shift

In the late sixties several agricultural branches were dropped and a significant part of the labour force was directed to the factory. Today 38% of the work force of Maanit is tied to the factory. Bearing in mind that 24% are in education and inner services and compared to 12% in agriculture it can be very safely said that Maanit went almost as far as possible in shifting human resources to industry leaving a minor effort invested in agriculture. As for selling services, the only service branch which generates income is the shop which requires very few people to operate and is statistically negligible.

#### i. Reduction of Communal Services

The reduction in the communal services is expressed mainly in eating at the family home. The dining hall is still active and all the rest of the services are still centrally provided. There was an attempt to cancel the laundry service and replace it with domestic washing machines. This attempt was rejected on pure economic basis. The existing service proved to be good and cheap.

#### ii. The Family as a Service Provider

As mentioned above, the only service provided by the family instead of an existing public alternative is an occasional dinner.

### iii. Service as Income Generator

There were some ideas of selling services but nothing came out of it beyond the small shop on the main road. It seems that the reason is not so much reluctance to sell services but rather the total lack of initiative on the part of the members of Maanit in the economic area. The factory provides for everything and all efforts are invested in the factory and in the existing economic activities. I was not told of any economic initiative in recent years except for the investment in the new department in the factory

### 13.3.7 Organisation and Structure

Maanit has the traditional Kibbutz structure. At the top of the Pyramid there is the General Assembly. The General Assembly meets once a week at a fixed time. Everybody is entitled to be heard but only members can vote. The General Assembly elects committees and position holders once a year in a discrete elections. The General Assembly approves the annual budget as well as extraordinary allocation of resources.

All the committees report to the General Assembly directly. The central committee is the Secretariat which acts as the Community Management. All major decisions are discussed in the Secretariat and decided on by the General Assembly after hearing the Secretariat's recommendations. Figure 13-10 shows the particular structure of Maanit before a change was implemented.

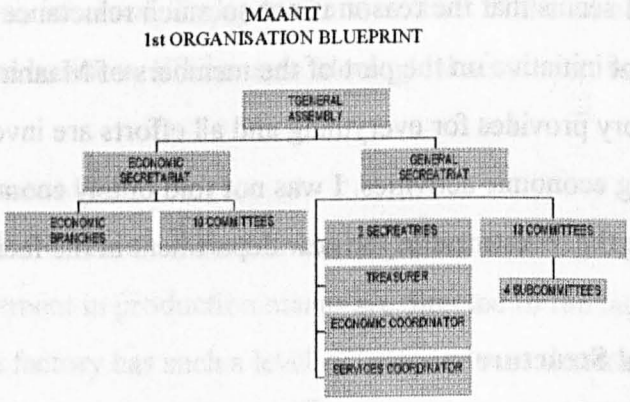



**Figure 13-10**

NG says that Maanit is not a Kibbutz with a factory but rather a factory with a Kibbutz. All decisions are derived from the factory. Today the factory is formally separated from Maanit. It is a limited company with an independent board of directors and an external chairman. The Kibbutz still decides what percentage of the profit will be transferred to the Kibbutz and how much the factory will pay Maanit for the members wages. Beyond that the factory is independent.

### 13.3.7.1 Introduction of Hierarchy

AH claims that there is no general economic strategy. Activity bears the nature of solving day to day problems and dealing only with emergencies. There is no clear definitions of authority and responsibility, no general work plan and no monitoring of activities against any plan, even in the few cases in which there is a plan. There is a general feeling of no alternatives, no influence, hence, no responsibility.

Galam is a natural place for hierarchy to grow. It is a limited company. There is a board of directors since 1988 with an outsider chairman. The factory is legally owned by Maanit. Practically, all interviewees agree that it is independent and is managed by an oligarchy. The factory has the same manager for the last seven years. While all agree that he is a good manager he does not seem to be liked by any of the interviewees. He has his own management team and uses hired labour as he pleases. He is a professional manager, though he has no formal education. Any resistance to managerial decisions was brutally broken and Kibbutz members who resisted the management were fired from the factory (not from the Kibbutz). In spite of that AH claims that there is a feeling that if the manager of Galam leaves the factory it will collapse and with it the Kibbutz itself.

NG says that the factory manager can and in practice did dismiss Maanit members from their positions in the factory. Galam employs 40 Maanit members out of 120 workers. There is no body like a trade union which defends Maanit members in Galam.

Maanit has a newly formed elected council which represents the General Assembly. The General Assembly elects the council in a poll. The council decides on the subjects to be discussed in the General Assembly. After the forming of the council the General Assembly meets every three months to discuss principal issues. Personal matters such as accepting new members or discussing members who announced on leaving Maanit are also dealt with in the General Assembly. If a member wishes to bring a problem to the general assembly he can do so provided that he gets 30 members behind him. In practice it never happened. The council was established six months ago and to my opinion it is successful. Figure 13-11 shows the new Organisation Structure of Maanit.

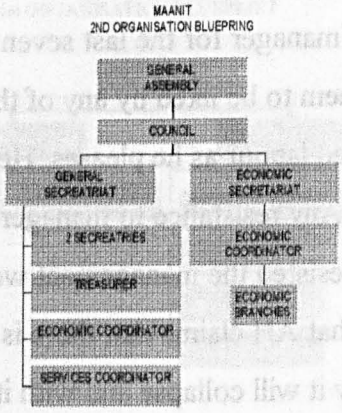



**Figure 13-11**

### 13.3.7.2 The General Assembly

The decision making processes are a pure democratic one. There is a poll for every major decision and while the participation in General Assembly meetings is low, the participation in the polls is very high. AH says that Participation in General Assembly meetings is about 20% with small permanent core and the rest of the participants alternating according to the agenda. Though major decisions are made by general poll. AH expresses a feeling that decisions are actually made before the meeting itself and individual's influence is minute.

AH says that in the social issues decisions are made either by office holders or by the General Assembly. All the intermediary echelons of committees are not functioning. Economic issues are different, especially in the strong branches like the cow shed and the factory. They are operated as profit centres and are very independent.

NR tells about a case in which the factory manager hired a marketing manager for a salary which raised a strong opposition both in the factory and in Maanit. The issue reached the General Assembly and the Markeitng Manager was forced to leave. This is a good demonstration of the problematic issue of separation of the factory from the community. The factory manager can make almost any decision. He reports to the board of directors. There is no controlling committee and there is no rotation. Beyond the board of directors only the General Assembly can change his decisions.

YB considers the General Assembly to be impractical by letting people vote for a decision without having the slightest responsibility for the consequences or the execution of the decision. Now the decision will be discussed in the secretariat, then it will be brought to the Council. The Council will pass it to the General Assembly only policy issues. Any member of Maanit can appeal to the General Assembly against any decision made in any lower level. YB admits that he opposed this procedure from pure pragmatic reasons and not from any ideological view, as most of the opposition to the Council was political and not ideological. In practice, YB admits, the number of appeals is minute and does not disturb the work of the committees or the council.

NG perceives the council as a result not a principle. The General Assembly lost its meaning and Maanit needed a governing board. The council is a good solution. NG realised the meaninglessness of the General Assembly when she had to decide what make of tractor to buy. Decisions were made by the group who shouted louder. NG thinks that the General Assembly has to deal with principle issues only. Most of the economic issues are technical and are not to be brought to the General Assembly. Most of the social issues are principle and should be discussed in the General Assembly. NG favours the existence of a mechanism for the individual to approach the General Assembly but wants it to be limited so as not to bother the General Assembly with nonsense. The General Assembly should be busy only with issues of public interest. Not even a dispute between two members.

#### 13.3.7.3 The Rotation Principle

AH claims that when he worked in the cow shed there was an annual rotation which was planned ahead. Everybody new what he is doing and when. The management was democratic at the branch level and at the Kibbutz level. AH says that the cow shed was considered by the workers as their own. Now it is run like a profit centre. This, according to AH, is the only result of the organisational change implemented in Maanit. AH and the other initiators of the change in Maanit expected that transferring the authority to the branches will increase the democratic management. AH claims that in the cow shed the change was very successful. There is no competition on the managerial job since there is not much prestige in it. But the branch is very profitable and well organised.

NG notes that in the past the motto was that managers can be taken from the crops and rotation did not present any problem. This was a mistake but this was the convention in the past. There is no place for rotation as a principle in professional positions. There is no rotation when there is no alternative. In the factory, she says, "we prefer our own man, especially when he is good, on having a hired manager. In other places the rotation is kept. It is not a principle". Rotation, NG claims, caused many damages during the years.

### 13.3.8 Family and Communality

At least one of the interviewees (AH) was very much aware to the role of Maanit as an extended family. In his case it was with great disappointment. AH claimed that Maanit did not prove to be a family for his son who stayed in Israel during the time he was in the UK. This impression was slightly corrected when I visited AH in Maanit after he lost both his parents who died after long illness. Maanit, according the AH, supported him both mentally and materially beyond all his expectations.

#### 13.3.8.1 Communality

AH says that the Kibbutz in general is turning into an individualistic group and Maanit is no exception. Instead of ideology of national targets the Kibbutz today has individualistic

targets. It looks after the individual rather than after the nation. "For myself, I will be content with a new non communal social covenant. Since no bank will give Maanit any loan this means that Maanit will have to earn its keeps with no outside help". In the case of a new social covenant AH sees a covenant of progressive mutual responsibility, meaning total responsibility for old age welfare, education and municipal services. The mutual responsibility becomes total after a certain accumulation of rights.

Communality is very important for NR but he admits that it is not practical today. If he could choose he would rather give up the communality and not the ownership of production means. NR sees private property as a fact which can not be changed now. He sees life in Maanit today much more family oriented with much less pressure from the community. If in five years people will keep private cars, will have differential wages and will maintain different standard of living, for NR it will stop being a Kibbutz. What bothers NR more is that Maanit is turning to be a very comfortable place for parasites. "I do not mind that much the people who get more in return for hard work. I do mind the people who get compensation for no effort at all". On the other hand NR thinks that if Maanit will not keep a minimum of partnership and equality it will turn into a 'jungle community'.

YB is in favour of food privatisation but does not see any ideology behind it. He sees the problem with the cultural change. People have to get use to used the plastic card before they eat. YB says that today people who come late to the dining hall may not have a good meal. He anticipates that privatising the food will put an end to it. It is not a principle and not a matter of money. The common kitchen can be very effective. In the case of Maanit YB is looking for better service. YB says that privatised electricity in Maanit can not claim any savings which justify the change, but people are more satisfied. On the other hand each item of privatisation brings claims that the personal budget is too small. People do not feel that the budget is adequate. On the other hand they consume less of some items, meaning, they enjoy the money less but they like the choice.
Most of the directors of Galam are members of Maanit. There is a clear conflict of interests and YB would like to see more money coming to Maanit. The factory manager

is also a member of Maanit and has to find a way between the conflicting interests. The conflict is discussed once a year and is usually settled. When Maanit was bankrupt the factory transferred massive sums of money, in the vicinity of 250 thousand pounds a month to Maanit. This was agreed between the General Secretary of Maanit and the chairman of the board. No board of directors and no General Assembly meetings were involved. YB refers to the incident and says: "We as the owners, materialised whatever we saw fit in order to keep the house in tact. I see myself, as a General Secretary, above all the technical position holders. The General Secretariat can fire any director. The economic activities are aimed to keep the community and not the other way. The General Assembly, however, could have turn my decision over".

For NG the essentials are total mutual responsibility and education of the highest level. She does not perceive privatising the food as a principle action but she is against it since the dining hall has a social value. She admits that not many people use the dining hall but for those who use it is important. It is used mainly for lunch and NG suspects that the daily meeting of the members may stop when food will be privatised.

According to NG communality is good when all people are equal. "I don't think that people are born equal and there is no way to make them equal".

**13.3.8.2 Family Sleeping**

YB thinks that family sleeping brought back the term family. The old Kibbutz was a deviation from the normal development of the community and now the Kibbutz is going back to a normal development process.

Maanit switched to family sleeping after it was already a fact. AH comments that the switch to family sleeping triggered a process of checking all the basic assumptions of the Kibbutz movement. The formal process for this change was initiated by the Secretariat with a group of 14 people who comprised the unofficial leadership of Maanit. This process provoked strong resistance from the older generation. The resistance was the result of a big insight gap between the generations. As AH describes it "We were sure

that we are leading a movement within a movement. When it came to the poll we discovered that the older generation were against any change, while the young generation simply gave up and did not bother to fight for any change". The whole conflict happened in a time of severe economic crisis.

Maanit was one of the first in its federation to have family sleeping. The decision was made in a period in which in fact many children already slept in their family homes. The decision was to approve family sleeping for the whole Kibbutz, and at the same time to stop any family sleeping until proper accommodation is prepared. This included AH's daughter who went back to the children home after already sleeping more than a year in her parents home. The Kibbutz made an enormous economic effort and in one year prepared itself for family sleeping. The process started in 1986, in 1988 Maanit had what AH calls 'the night of the slamming doors' and all the children moved to their families. This decision was an economic disaster.

For NG family sleeping passed very easily and she remembers the common sleeping very fondly. NG looks at it as a process of change of the whole Israeli society. The 'going back to the family' process was expected and was very natural. It is not a process of imitating the city, just a natural process.

#### 13.3.8.3 Personal Budget

According to AH Maanit always had high personal budgets, relatively large houses and high consumption. "we had to go a shorter way to the present situation". AH identifies the beginning of the change in the early 70's when Maanit built larger kitchens in all new houses. The process of increasing consumption was driven by a feeling of a crisis ahead, but AH says they felt that Maanit had time to prepare. NR reveals that the main expenses such as education and health are public. Food is not privatised but it is on the way. Electricity is paid from the personal budget. NR sees no problem with it. If somebody consumes more than the average it is all right that he pays for it.

#### 13.3.8.4 Family Network

According to AH many people have outside sources of income. Many families have relatives outside which support the family in Maanit. Some people have private property, mainly inherited property. If it is not used nobody touches it. If it is unreasonably explicit it is put to an end. "We try to fight it but not very loudly" says NG. Compensation from Germany to Holocaust survivors is different, says NG. Nobody wants to deal with it and nobody want to limit the survivors in using it.

### 13.3.9 Standard of Living

I did not notice any difference between Maanit and all other Kibbutzim I visited. The public areas are well taken care of, the family homes are nice and specious and very well equipped. If there are changes they are not on the surface such as culture, the use of cars for private purposes etc.

NR says that Maanit could be in very good shape. The paradox is that the factory invests its profits in expanding while the standard of living in Maanit remains very low. The factory is so strong and so independent that the consideration of the factory comes first. Maanit does not really benefit form the success of the factory.

#### 13.3.9.1 Imitating the City

AH thinks that the change in consumption habits was accompanied by an increase in the standard of living, with the urban life as some kind of an imitating ideal. YB, on the other hand ways that Maanit does not imitate the urban society in order to imitate it. "We imitate it because we can not oppose the changing reality". YB sees no ideology in privatising but rather pure survival. "If we will reach a situation of differential wages I will not be happy but it will not be the end of the world and definitely not a matter of ideology" says YB and points out that most of the world has differential wage system. He sees such a change in Maanit only if it will be a matter of survival. "I will not feel guilty about it but it will be a failure". What bothers YB in the differential wages is the competitive society it will create. The rational behind differential wages is that everything is dictated by money.

NG points out the changing life style in Maanit. She says that it is not more or less urban style. The Kibbutz has to be taken apart and rebuilt like a town in order to have urban life style.

#### 13.3.9.2 Private Consumption

AH says that at the present Maanit is a low standard of living community. Private consumption depends very much on the individual as demonstrated by AH's story: "When we wrote to a friend that we plan to come back home from a position out of the Kibbutz she wrote to us 'don't come back poor'. Though all basic needs are provided through a personal budget.

YB thinks that the culture of consumption and even of management in Maanit has changed mainly because reality is stronger than any ideology.

#### 13.3.9.3 Non Material Benefits

At the beginning and through the first set of meetings I had a strong impression that there is a great disappointment for the members of Maanit from all the non material aspects including a very serious accusation of AH that Maanit did not treat his son like a member of the family of Maanit. Later I came to visit AH after he lost both parents due to long illness. At that time he said that in spite of the way his son was treated, Maanit gave him all possible support, material and non material, when he needed it through the last days of both his parents.

#### 13.3.9.4 Social Security

The problematic economic situation of Maanit and the large number of old people raise suspicions about the ability of Maanit to fulfil its welfare obligations. Lately there is a tendency to buy external pension plans using money paid by Germany to Holocaust survivors in Maanit. Social security is a central issue in Maanit and attracts a lot of attention, probably due to the lack of confidence in the future of Maanit.

### 13.3.10 Ideology and Principles

YB says that in the 80s managing Maanit was transferred to the young generation. They were in their early thirties. They brought management which was not based on any ideology. It was pragmatic management.

YB says that in spite of the common thought of the death of the ideology some of it is still alive. The idea of the Kibbutz, says YB, is that the strong gives to the weak. This is contrary to most other communities and to a certain extent against the human nature. The Kibbutz now is returning closer to the natural human relationship. "We need bigger people to carry the Kibbutz idea. Only a small elitist group can carry the idea of the Kibbutz". YB is convinced that if the people of Maanit will not want partnership there will be no partnership in Maanit. Maanit, and any other Kibbutz looks the way people want it to look or on the way to it.

#### 13.3.10.1 Adherence to Agriculture

Maanit is a Kibbutz which is based on industry. It has some profitable agriculture which is not very significant compared to the industry. Several people still stick to agriculture but it is very clear that agriculture can not keep Maanit alive.

#### i. Agriculture and the Alternatives

The reality of today, according to YB, is more difficult than in the past. The connection with the environment is much stronger than in the past. "The Kibbutz member returns to his people" says YB and means that the separation of the Kibbutz member from the rest of the Israeli society is diminishing. The Kibbutz member measures everything in terms of profit and loss. He becomes more normal. A losing branch is dropped without a problem. Agricultural land is allocated to industry also without thinking twice.

25 members of Maanit work outside Maanit. YB has no problem in imagining all the members working outside and does not believe that in such a case the Kibbutz will collapse. It is possible to maintain a community with some mutual responsibility and

some common consumption basket. However, from the internal point of view it will not be a Kibbutz.

**ii. Attitude to Agriculture**

NG would not want to see Maanit without agriculture. She sees agriculture as a symbol and a value. For NG the connection to the land depends on agriculture. It has to be profitable but still it is very important. NG sees the problem of allocating agricultural land for non agricultural uses as a principal one. It was raised only once in the General Assembly and the discussion was stopped with no conclusions. She admits that replacing agriculture with very profitable industry could raise a problem. She sees no problem in switching to industry. The problem is in dropping all the agriculture.

**13.3.10.2 The Self Sufficiency Rule**

As in the other Kibbutzim in this research, nobody perceives self sufficiency in its original way.

**i. Open System**

NG says she works with hired employees and doesn't see any problem in it. "They complain about their salary and I don't since I don't get any salary anyway. I pay a price for my life here and I get the quality of life I want with the security which at present is not as strong as before".

**ii. The Economic Aspect**

NR says that Maanit was practically bankrupt and the General Secretary wanted to solve the problem by implementing a change which will turn Maanit into a different community. He wanted independence for the economic branches and freedom in choosing a working place. He anticipated higher motivation in such case. In practice, NR says, the changes are not that radical. What did happen was a situation of chaos. There were no committees and there was no address to bring problems to be solved.

For NR as long as the means of production are in common ownership the partnership exists. This partnership guarantees the equality. NR can not see a Kibbutz with differential wages. If the factory manager gets five times more than the worker the equality is disturbed. NR thinks that Maanit has to make it possible for the weak ones to maintain the same standard of living as all the others.

**iii. Social and Ideological Aspects**

AH describes the change in his attitude to the Kibbutz "In the past we knew that we give the Kibbutz as much work as we could and received what was most important to us, in our case it was education and the opportunity to travel". Both AH and his wife went to study and travelled abroad and when they were away the Kibbutz took care of their children and parents. AH claims that the unwritten agreement that everybody invests as much as he can and gets as much as he needs was broken.

AH's son is in the army now. "When we went abroad we all thought that the Kibbutz is a big family for him. In fact it didn't work this way. My son realised that when we left the Kibbutz, even temporarily, the Kibbutz stopped being a family. When my mother became terminally ill my daughter, who left the Kibbutz several years ago, came to be with her until we arranged to come back from England. Several years ago this was unnecessary. The Kibbutz used to serve as an immediate family and no other help was needed. You may say that the Kibbutz is great to accept my daughter back. I say the Kibbutz should have said "we are responsible, you can come if you wish but we are taking care of our old and sick".

According to AH the problem of Maanit, both at the ideological and the practical level is that the younger generation already gave up. Those who stayed did so because they were too lazy to leave. They considered the Kibbutz as something not worth fighting for. At the same time the older generation blocks any kind of change because of fear of change itself as well as the disappointment from the economic crisis which came with the change in the economic concept.

YB doesn't think that the older people have different ideology. "I think the older generation can not tolerate being out of the picture".

### 13.3.11 Needs, Contribution and Compensation

For YB the needs threshold coincide with the welfare state, i.e. health, education and culture. Too many people found themselves unable to help their children who left Maanit. Especially sensitive is supporting their academic education which is now essential. The decision to finance academic education unconditionally was radical financially but it solved the problem of partnership.

YB find it unbearable that seniority as a Kibbutz member has no effect on the personal budget. Differential wages is beyond the red line. But budget by seniority in a reasonable grade is quite justified. Anybody who generates higher income practised for many years on our expense, says YB. "We don't hire professional managers who learned and practised outside. I don't want to give the high earners higher salary as much as I did not cut their salary when they were young and inexperienced". As an example YB brings the factory manager who is an excellent manager. When he was new in the job, at the time tha factory was built, he was late three years in beginning the production. His personal budget was not cut then and it should not be increased now. Seniority, according to YB, is something else. Seniority influences the quality of lodging, the queue for vacations abroad and should also affect the personal budget. YB finds it unreasonable that a 22 years old youth who is a full member for only a year is eligible to go and study supported by Maanit and in addition has the same personal budget as a 40 years old member who gave twenty years to Maanit. YB restricts his idea to reasonable differences. He relates the need of such differentiation to survival and not to any ideology.

YB points at the expanding the term 'needs'. Maanit privatised smoking which is a great benefit for the non smokers. By doing this Maanit stated that someone's need for cigarettes is equal to the other's need for chocolate or any other consumption item. Music courses, for example, are financed by Maanit. Each child is eligible for one extracurricular activity. Maanit has a contract with a piano teacher and a guitar teacher.

Children go to a riding ranch etc. Second extracurricular activity is paid by the parents. There is no special item in the family budget. Yet most families send the children to more than one activity from their own budget instead of dishwasher or a vacation or any other expense. Even the house air conditioners are privately bought by the members. In practice Maanit added only one thing, the ability to choose. The choice created hardships since people are willing to spend and they want more money. The term need is expanding.

NG thinks that having differential wages will bring imitation of the city and she is against it. She is, on the other hand, for extra compensation for people who contribute beyond the call of duty. Compensation should not necessarily be financial. Financial benefits, NG thinks, will cause problems which will be created by the economic gap. However she agrees that people who work more deserve to get more.

NR says that Kibbutz is a place in which the member can have his lunch without making an effort. Maanit did not find the method of motivating the people without the material reward. In the past there were idealists. The ideal vanished and the system needs a change. The ideal vanished because times have changed and the population has changed. The way to solve the problem, according to NR, is to make the members work for their living. Everybody has to work somewhere, whether in the kibbutz or outside and the Kibbutz has to find the member a decent job.

#### 13.3.11.1 Welfare Policy

A lot of resources are allocated to take care of the large number of old people in Maanit. There is a new large occupation/health centre with all the necessary facilities for the old and disabled. The healthy old people, however, prefer to work short days in the normal Kibbutz branches.

AH says that Maanit was always known as very liberal towards the individual. At the same time it was very conservative in general processes. All the changes in which the individual is the centre were taken in the normal Kibbutz process. In most cases of a

conflict between the individual's welfare and the benefit of the Kibbutz, Maanit decided for the individual. The general opinion in Maanit is that there are no sacred decisions but the process is very important.

YB claims that all the social changes have economic implications and are done together with the Economic Co-ordinator. The decisions are prepared in small teams and discussed in the General Assembly. The discussion is transmitted several times on TV and then the decisions go to the poll. People who missed the live broadcast lost the opportunity to respond. In practice no one responds from home.

### 13.3.12 Shift in Prestige

AH does not speak explicitly about prestige but says that everybody who can work outside Maanit do so. The usual case is that the member gives his salary to the Kibbutz and keeps the perks such as company car, expense account etc. AH sees the main factors of prestige as connected to status symbols, like going abroad, working out of the Kibbutz with high perks. He sees no position in Maanit as prestigious. Not even the General Secretary which was very prestigious in the past. The economic co-ordinator, a very prestigious position in the past, is now held by a hired person. AH notes that the leadership that led the changes, which failed, are working out of the Kibbutz.

A good example for the ambivalent attitude to prestige is the position of factory manager. The present manager who is, according to NR, a very good manager is holding his position for many years. Now he is a little bit tired. There is total agreement that this man carries on his shoulders the economic burden of Maanit. Yet there are difficulties to find a willing successor. NR says that there is no prestige in any position. The important positions are very hard and very difficult to succeed in. The only positions sought after, according to NR, are easy outside job. People prefer to be municipal high official than a factory manager. YB says that positions with economic power are prestigious. "When you are in the job the prestige is not real.

NG says that most of the public positions are very demanding with no benefits. "There is no power, you have to work against your friends". She says that considerations in making any decisions are never clean. "You know some of the people too closely to consider anything perfectly objectively". NG claims that whenever a member did not get what he wanted he had complaints against those who made the decisions. The sentence "We did not expect it from you" is a very common complaint. Therefore NG sees no prestige in public positions. NG thinks that people want managerial positions in the factory but usually there is more demand for positions on a professional level.

### 13.3.13 Summary - Maanit Profile

The general impression from Maanit is of dissatisfaction and lack of enthusiasm. There are very few people who bear the burden of change. If they fail, it seems that Maanit will deteriorate to apathy. The successful factory keeps Maanit physically alive. On the other hand the factory dwarfs any other activity. Any activity, as successful as it can be, will be insignificant in comparison to Galam. Maanit turned from a Kibbutz with a factory to a factory with a Kibbutz.

Maanit is in a stage of radical changes. It seems, however, that this change is carried out by few while the rest are waiting to see what will happen. Some of the changes in Maanit are major with a strong move to more individualism and with the welfare of the individual in very high priority.

#### 13.3.13.1 Culture - Life Style and the Value of Work

The equality is maintained by the equal budget. The consumption is not held equal and it is to the members' discretion. The 'red line' of the moving away from communality is much more strict than in the previous two cases and is concerning the equality principle. Equality remains a very important principle after communality is practically given up. People may be more satisfied with less communality but not with much less equality. As in the previous two cases, health, education and welfare are the most important issues of the Kibbutz life style and people are reluctant to privatise them. The importance of the family in Maanit has increased with the deterioration of the Kibbutz itself as a family.

As in the previous cases the level of education is increased along the generations. It was not important for the older generation. It is more important to the younger generation and it is important to the older generation that their children will have higher education. Maanit recognises the duty of parent to give education to their children and the higher education given to the children of Maanit is given as benefit for the parents.

The older generation still carries the value of work. They are dissatisfied with the 'easy money' concept. The younger generation presented a changed attitude of more profits even at the cost of taking risks. Having said that, one interviewee stressed that she wanted to work in the field and went to industry as an alternative but to a productive job. Work is measured by income for outside workers and for in house branches as well.

**13.3.13.2 Management - Decision Making and Investments**

Maanit presents the typical investment shift. Industry as a provider of work which was dropped as soon as agricultural work became available. Later, investment in industry from economic reason. Since then practically all investments are in industry. No investments was made in any other economic sector, such as leisure or services, since investment in industry was always economically better and economic success is the chief concern.

Maanit went beyond Cabri and Amiad in the investment in industry and agricultural land would be allocated to industry without hesitation. Working outside the Kibbutz also does not present a problem and the vision of most people working outside did not seem impossible, probably because of the large number of workers in the factory who are, in fact, working outside Maanit, for a salary, in a factory owned by Maanit.

The democratic decision making process came to a stagnation. A smaller representative body was elected to do the job and indeed Maanit went back on the path of normal activity. Direct democracy retreated because of ineffectiveness. Economic decisions are made by the branches and they are managed as profit centres. The decision freedom for

the branches in Maanit is larger than in the previous two cases and it can be attributed to the chaos which is just beginning to get in order.

## 13.4 Case IV - Sdot Yam The United Kibbutz Movement

The reason for choosing Sdot Yam is its uniqueness. In researching cultural and managerial changes it may prove very significant to find similarities in the processes in Kibbutzim of different characters. Sdot Yam is a unique Kibbutz in the sense that it is situated by the sea and the sea is part of its culture and influences both its economy and its leisure. The uniqueness of Sdot Yam is the main reason for selecting it to the research. Having the same change process in a Kibbutz which is different in its economy from most other Kibbutzim adds to the validity of the data. I visited Sdot-Yam four times during the research.

During the years Sdot Yam went through economic structural changes but the sea always remained one of its mostly used resources. The book "Between Fields and Sea", which was privately published in Sdot Yam for its own members, brings stories from the first days of Sdot Yam until the ninties. Many of the stories have to do with the marine history and culture of Sdot Yam, including the first 'fisherwoman'.

It may be interesting to note that out of five Kibbutzim which were based on fishing, one is practically not a Kibbutz any more, two are struggling to survive and two are heavily based on industry and are prospering.

### 13.4.1 The Interviewees

The interviewees were chosen from different age groups in Sdot Yam in order to represent all range of attitudes to the relevant issues. This is particularly interesting in Sdot Yam because of a conflict over the issue of financing higher education to Sdot Yam young generation.

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### 13.4.2 General Information -

From an aesthetic point of view, Sdot Yam is the nicest Kibbutz I visited during this research. It is located on the coast of the Mediterranean, some 40 miles north of Tel-Aviv, roughly in the centre of the Israeli coastline. Sdot Yam is situated on top of a low hill right above the seal. The sea can be seen almost from all of the public areas and buildings of Sdot Yam and the architecture considers the view of the sea, especially in the dining hall which has a large glass wall facing the sea..

The industrial and the agricultural areas of Sdot Yam are separated form the residential and public areas. The family homes are small two story terraced houses surrounded by large green areas with lawn, flowers and trees. The households are equipped with all the facilities common in the urban home. As in most other Kibbutzim there is a car park in the entrance to the Kibbutz and concrete paths for pedestrians and cyclists connect the different parts of the residential and public areas.

The dining hall with its glass wall facing the sea is the pearl of Sdot Yam. Next to the dining hall there is a large lawn which overlooks the sea shore. There is a beautiful leisure shore and two docks for sailing boats. Marine sport is very popular in Sdot Yam and is part of its education culture. Most of the children do some sailing. There are several people who participated in the Olympic games and there are even a couple of olympic medalists.

Sdot Yam has a closed circuit TV which is its main internal information channel. The history of Sdot Yam and its development is significantly different from all other Kibbutzim in this research. Agriculture was never the main business in Sdot Yam. Though a lot was invested in agriculture, even in the early days it was only a side business. Like the early days of other Kibbutzim Sdot Yam was economically based on the income generated by its members working outside the Kibbutz. But the members of

Sdot Yam did not work in agriculture. They were fishermen. Fishing was the backbone of Sdot Yam's economy for many years. The book 'Between Field and Sea' is full of stories about individuals doing their own things even without the consent of the Kibbutz.

### 13.4.3 History

The beginning of Sdot Yam is in 1936. A group of 25 youths from Hanoar Haoved VeHalomed (the Hebrew words for 'The Work and Study Youth) youth movement decided to establish a fishermen's Kibbutz. They lived initially next to the port of Haifa and worked as employees on fishing boats. In 1938 the name Sdot Yam (fields of the sea) was suggested by Zalman Shazar, later to be the third president of Israel. In May 1940 the group moved to its present place near the old town of Caesaria. In the early days Sdot Yam was based entirely on fishing, initially as employees and later using its own fishing boats. As in most other Kibbutzim the early days presented a problem of finding work for all the members. While the men of Sdot Yam worked on fishing boats some of the women worked in making gravel for roads.

Fishing was the main provider of Sdot Yam for many years and many members of Sdot Yam made the sea their profession. Before establishing the independent state of Israel Sdot Yam was active in the marine forces of the Jewish defence organisation and in serving the ships of refugees from Europe of after WW II. In spite of the conflict between the Jewish community and the British army, in 1940 several members of Sdot Yam joined the British army in order to fight against Germany.

Declining profits, lack of suitable and interested people as well as the need for very large investments forced the closing of the fishing operation in Sdot Yam. At that time Sdot Yam had already some agriculture and industry.

### 13.4.4 Population

The population of Sdot Yam today is about 700 including about 400 members and candidates, 240 children and a 'Nahal' group.

Sdot Yam started with a group of 25, 18 men and 7 women, of the 'Work and Study Youth' of Israel who perceived the conquering of the sea to be a pioneering operation as important as conquering the land. In 1940 Sdot Yam received a group of 'Mahanot HaOlim' movement (Hebrew for 'The Rising Camps) and 'Habonim' (a Zionist youth movement in Europe). At the same year a German group of 32 people joined Sdot Yam. In 1948, a group of 44 new immigrants joined Sdot Yam and in 1949 a group of children from Iraq came as Youth Community. Figure 13 - 12 shows the population growth of Sdot Yam:

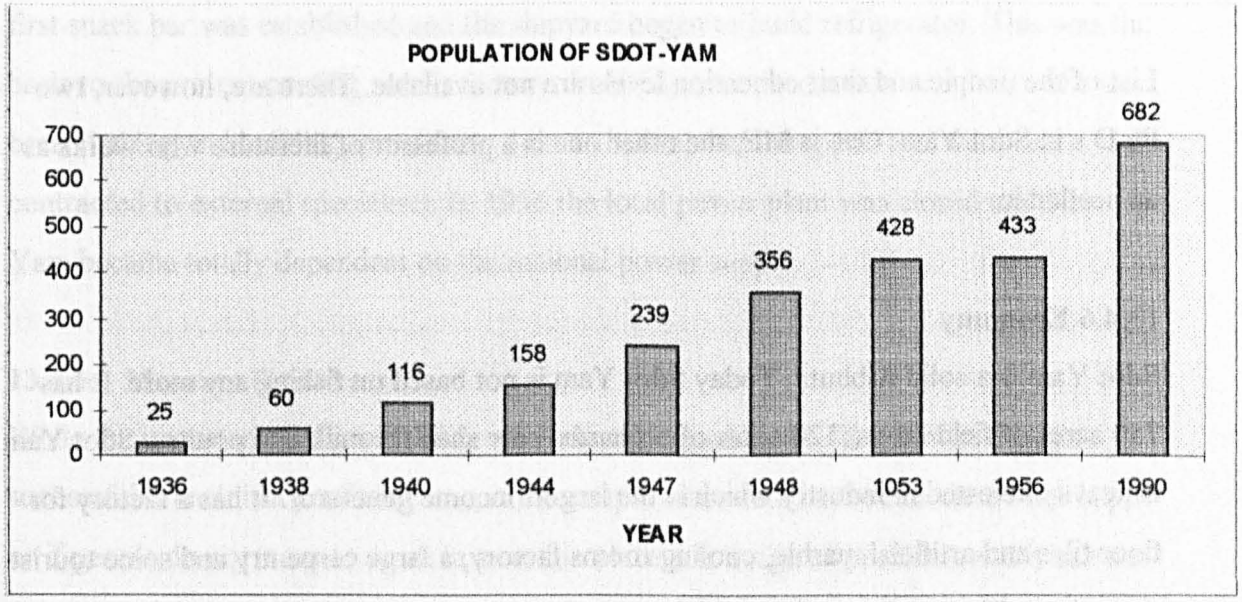



**Figure 13 - 12**

### 13.4.5 Education

ME comments on education: "Until five years ago finishing high school was the norm. Today the young people realised that without higher education they are not competitive in the urban work market. The people of the old generation of Sdot Yam gave up any kind of formal education. The intermediate generation, 40 to 50 years old, still did not consider education to be essential. Most of them acquired their education at old age and it is reflected in the subjects of study. People study art at the age of fifty. The young generation sees the higher education as part of their preparation for life and career". In practice Sdot Yam provides higher education to the young generation as an obligation to

the parents rather than to the children. The young generation, as expressed by IP sees the higher education as a natural part of the process of making a career and do not expect to wait years for it. They want it right after the army and they want it to give them a profession for life.

Today there is a study programme for the young generations. They have to work a certain number of days in Sdot Yam in exchange for full support during their studies. IP take part in this programme. The study programme seems to stabilise Sdot Yam socially since the leaving rate of the young generation was insignificant.

List of the people and their education levels are not available. There are, however, two Ph.D.s in Sdot Yam. One is ME, the other one is a professor of literature who works as an academic.

### 13.4.6 Economy

Sdot Yam is a solid Kibbutz. Today Sdot Yam is not based on fishing any more. It has 750 acres of field crops, 120 acres of orchards, cow shed for milk and poultry. Sdot Yam is heavily invested in industry which is the largest income generator. It has a factory for floor tiles and artificial marble, cooling rooms factory, a large carpentry and some tourist operations. The tourist services of Sdot Yam include two snack bars in the tourist site in Caesaria, a leisure sea club and a charter yacht which is chartered for tours in the Mediterranean. There is also a small workshop for decorative clocks. In addition there is a 'Sea Centre' on Kibbutz ground which is a marine sport centre partly owned by Sdot Yam. All the economic ventures are profit centres. Some inner services, such as the laundry and the sawing shop also sell their services outside Sdot Yam.

The economic history of Sdot Yam shows one major change of direction and several experimental investments. It was based, initially on fishing. In 1937 a vegetable garden was founded and in 1938 poultry and flower growing followed. But investment in fishing was dominant and at the same year the first boat was bought and Sdot Yam became an independent fishing Kibbutz. In 1941 Sdot Yam initiated selling coast cruises and in 1942

a shipyard was built and orders from the British navy were received. At the same time some effort was invested in agriculture as well and Sdot Yam kept leasing and buying as much agricultural land as it could put its hand on. In 1945 an experimental vineyard was planted as well as one and a half acres of Bananas.

In 1946 the industrial activity was expanded and to the shipyard Sdot Yam added a small factory for floor tiles. A local electric power plant was built to supply power to the industrial and residential consumers. In 1947, while people of Sdot Yam were still working outside the Kibbutz because there were not enough work in the Kibbutz, the first snack bar was established and the shipyard began to build refrigerator. This was the basis to the present cooling rooms factory. In 1952 some production activities such as bread baking and building, previously done in house, were dropped and were sub contracted to external specialists. In 1956 the local power plant was closed and Sdot Yam became totally dependent on the national power supply.

#### 13.4.6.1 Measure for success

While the importance of profitability was acknowledged by all, IP said that though a successful branch is a profitable one, if the people who work in the branch are not happy or if people do not want to work in a certain place it is a sign of problems and it can not be considered successful. On the other hand she mentions that the factories succeed with almost no members working in it and it is the bread and butter. "I do not argue with success but I do not like it. I prefer that people will work outside and not were they don't want to work".

RA also thinks that successful branch is a profitable one. He also mentions some branches in which the people put a lot of effort but the branch is not successful. He admits that there is a problem in such cases. "The people are good and they deserve all the appreciation". He agrees, though, that a branch like that has to be improved or replaced.

**i. The Worth of Work**

IP acknowledges the existance of unemployment in Sdot Yam and not because people are lazy. There are no working places and for old people it is a problem to work outside the Kibbutz. She said she would prefer a suitable job in Sdot Yam and not to be exposed to competition in the city. But she understands members who do not like to stand next to an industrial machine for eight hours a day.

RA says that if somebody does not work simply because he is a parasite, sanctions should be exercised against him. He should be warned and talked with. RA thinks that social sanctions are much more effective than any economic sanction. As the person responsible for the security in Sdot Yam RA was faced with several members not appearing for their guard duty. After several occurrences he advertised in the closed circuit TV that Mr X and Mr Y did not appear to their guard duty and it did the work. RA does not have any doubt that cutting the personal budget as a sanctions could not be as effective as these social sanctions. The normal person, RA thinks, is strongly motivated by social criticism.

While RA does not think that financial sanctions are in order he does think that if somebody works more he should be rewarded. The reward should not necessarily be financial. "I am against direct financial compensation. If people will get direct compensation they will work until they get the budget they want and then they will work 'by the book'. With direct compensation there is always the limit above which a person does not want to get more money". According to RA the present situation brings the work itself and its achievements to be the challenge. People work 12 hours a day and sometimes more for the success of the factory or any other branch, and not in order to achieve a certain personal budget.

RA wants to give the worker something to motivate him, but not directly related to the effort. "I want to give him gratitude, not compensation". Commending, for RA, is more important than the money. RA thinks that in Sdot Yam there is a lot of appreciation for people who contribute more than their duty. "Personally I don't value financial

compensation. I still believe in values and work is a value" says RA. He admits that in spite of what he said, today work itself is not enough as compensation for the effort. However, contributing to the community still gets appreciation which is a valuable compensation. RA is convinced that "the money does not matter".

Introducing hired labour was a very a long process. RA can recall having one hired worker "we were lucky with him because he decided to become a member of Sdot Yam and was accepted and is still with us today" says RA. He recalls a lot of hesitations. When there was a lot of unemployment in Israel somebody in Sdot Yam said that it is immoral that Sdot Yam has means of production while next to it there is a small town crying for work. Depriving people of work for the luxury of our ideal is wrong. On the other hand RA says that the moment hired labour entered the commune the commune died. It became legitimate when Sdot Yam diversified to areas which did not attract members. "The members wanted to fulfil their talents and we gave up" said RA. It took almost thirty years until it was agreed for the hired workers to eat in the dining hall. There were ideas to let the dining hall for weddings and other ceremonies and the people opposed it. RA explains it by the people not wanting strangers at home and the dining hall was part of the home. The ideological matter was not the strongest drive.

Checking the history of Sdot Yam reveals a slightly different picture than that described by RA. Hired labour became a common thing in Sdot Yam in the early fifties. There were several hired workers in Sdot Yam industry and fewer in agriculture. In 1952 there was an effort to eliminate hired labour in agriculture. In the mid fifties hired labour in industry was significantly reduced only to increase later to much higher level.

**ii. The Importance of Work**

The young adults (16 - 18) have to work one day a week. School is open only five days a week. This is looked at as an educational operation and not economic one even though in some cases the contribution is significant. In Sdot Yam, where each branch is a profit centre a group of children who are very cheap labour force can make a difference.

IP does not have any problem with having hired workers in the factories. She does not think members should be forced to work were they do not want to work. In spite of that there are no people who do not work openly.

While IP does not have any plan for after completing her studies, nor does the Kibbutz have any plan for her. She does not anticipate any problem in finding work in her profession, though she says that the probability of working in Sdot Yam is small since she does not want to be a teacher but rather more in the therapeutic aspects of her profession. IP does not see any problem in working out of Sdot Yam and claims that as long as she will generate enough income there will be no problem and the Kibbutz will support her working outside. The Kibbutz will check the contract, there is a 'Salary Committee' and if she will generate enough income it will be approved.

RA says that it is very important to make a living from work. But still, work is a value. "We did not always measure success by the bottom line. There was also pioneering. We, in Sdot Yam, had a fishing operation which we considered a contribution to Zionism. You went out to the sea in the morning, sometimes you did not bring your day's worth in the evening, yet we kept the fishing operation long after it was not profitable enough. We had a Hebrew school which we kept for years. It was not economical. I questioned the economic logic of the school and we decided to keep it from ideological reasons". This ideology, RA admits, has been very deeply eroded, but it did not disappear. Even today if somebody would like to work with new immigrant, RA claims that Sdot Yam would approve it. Sdot Yam, as a community has to earn its keeps but for individuals there is no problem. RA mentions also 'first home' which does not have any profit purposes.

Positions are manned by a nomination committee. RA says that for fifty years there hasn't been even one person who agreed to the job he was nominated to do. If he would say "I want it" he would not get it. The norm was to run away from jobs. After a discussion they all agreed. Now people are free to choose their work. Sometimes they have to pay with some turn of duty and then get the job they want. Most people want to work

outside. The people like the feeling of bringing a lot of money to Sdot Yam and there are the perks. Bringing a high salary to Sdot Yam gives the outside worker satisfaction.

**iii. The Economic Aspect**

There are first signs of differential salary in Sdot Yam and IP refers to it as the light at the end of the tunnel. All Sdot Yam members have to take shifts in the dining hall and other places. People who are, temporarily, out of a job take a longer shift. People who do especially long and hard shifts in the cow shed or in the leisure centre get extra money.

IP said that the Kibbutz does not have to find work for the members. "If I can not find work to give back the days I owe the Kibbutz I owe them the money and I may have to go and work outside in order to give back the money". Of course, her case is different than that of a normal member since she has an agreement of debt translated to working days. In practice if the work co-ordinator of Sdot Yam does not find work for one of the members his consumption ability is not changed and there is no debt to be repaid.

**iv. Ethical Limitations**

Non of the interviewees related to the ethical aspect of work. When I raised the issue all interviewees said that the law is the limit. Any activity within the law is legitimate. It has to be noted, though, that Sdot Yam is not involved in any speculative activity.

**v. Attitude to Money**

Money as such does not seem to play an important role in Sdot Yam. Money is looked at as flexibility of consumption and as compensation for effort. There is, however, the issue of compensation for Holocaust survivors. This issue concerns money paid directly to several members. The decision in Sdot Yam is that half of the money goes to the Kibbutz and half remains with the recipients. The part which goes to the Kibbutz is used mainly to renovate and enlarge the houses of the members, including those of the recipients of the money.

### 13.4.6.2 Investment Shift

Along its history Sdot Yam invested heavily in fishing boats and in other marine activities. From early stage some investment in agriculture was made and continued in parallel to other investments. Major in vestments were made in industry and services (leisure) long before most other Kibbutzim. Non of the interviewees can recall any problem in directing funds to industry or services. RA described investments in the factory, including research and development, all of it "...from our own pocket".

We can talk, in the case of Sdot Yam, on two processes in the investment policy. One is the constant investment in new ventures in agriculture as well as in service and industrial ventures. There is also the radical shift from fishing to the manufacturing and leisure industries. The radical decision was to drop the fishing. Once this was done all funds, previously directed to fishing, were now directed to existing ventures. The massive investments gave the industry and leisure centre a different shape.

### 13.4.6.3 Human Resources Shift

Old protocols of the general assembly reveal a phenomenon of members of Sdot Yam going to work as employees on fishing boats without the consent of the General Assembly. One factor which "killed" the fishing in Sdot Yam is the human resource shift away from fishing. Sdot Yam was always looking for working places for its members. There was a shift of workers to industry, but industry today is based on hired labour. There is less hired labour in agriculture. the general impression is that human resources in Sdot Yam are very diversified. Unlike most other Kibbutzim we can not identify a shift of human resources from agriculture to other sectors since agriculture was never the main business. There was, however, a shift from the main business, which was fishing, to other sectors.

### i. Reduction in Communal Services and the Family as a Service Provider

A two days visit is a good opportunity to learn, from first hand, the level of services provided by the family home. My host invited me to dinner at his home. To my question about the dining hall he said that they do not usually use it in the evening. It has to be

noted here that in Israel supper is the big meal and dinner is a small meal and taken late in the evening, usually between 7:00 to 9:00 pm. All the products were bought at the Kibbutz shop and charged to the personal budget.

Breakfast was a very similar process and was not different than an urban breakfast (accept that, for myself, I don't eat breakfast at home). After touring the Kibbutz and working all morning my host invited me to lunch (actually supper) in the dining hall. He admitted, though, that he does not go there everyday. Sometimes he goes there because he likes the view of the sea. Food, he said, he can have at home, but the view is better in the dining hall.

Now with having private cars there is another service which is provided by the family in Sdot Yam. Having said that, a car for private use is still provided by the Kibbutz in most cases. Other services, such as laundry and all household supplies are provided centrally by Sdot Yam against the personal budget.

**iii. Service as Income Provider**

Sdot Yam can really be considered as a pioneer in this area. The book Between Fields and Sea tells about an experiment to sell coast cruises in 1941. At that time selling any kind of service was very uncommon to the Kibbutz movement. Yet, in Sdot Yam it was another business initiative, not different than any other. While the coast cruises can be attributed to Sdot Yam's specialising in marine business, in 1947 Sdot Yam opened a snack bar in the tourist resort of Caesaria. We can see, therefore, that in the history of Sdot Yam there is no clear differentiation between production and services.
RA tells the story of the economic shift: "In the beginning there were fishing and agriculture. The fishing went down and industry was developed. The leisure businesses we have are not really services. We sell services like kindergartens etc. People from outside Sdot Yam come and get educated here for money - this is fine with me". The leisure yacht which Sdot Yam lets for hire is, to RA's opinion, productive since it produces income.

RA finds it hard to understand what is the difference between services and industry or even services and agriculture. He says that in 1952 Sdot Yam opened a snack bar on the beach next to the Kibbutz beach. There was a problem since the children of Sdot Yam wanted to get everything for free as they were used to at home. Today Sdot Yam owns a snack bar which is leased to the operator who is not from Sdot Yam. This is simpler.

### 13.4.7 Organisation and Structure

The organisation structure of Sdot Yam is not much different from the standard, there is, however, a process of change. The general assembly is the supreme authority in Sdot Yam and is above any other body in the Kibbutz. There is an elected council of 20 to 25 people. The council meetings are open to any of the members. The general assembly elects a committee which prepares a list of candidates to the council in a way that all the groups in Sdot Yam will be represented. The list is brought to the vote of the public. ME says that for 25 members there is a short list of 40 or so. If somebody is elected but can not participate the next in the list will take his place. Under the council there is the traditional Secretariat. The Secretariat executes the day to day community matters. Its range of activity is influenced by the characters of the members, but it still have the same old traditional nature.

Sdot Yam has a 'Merakez' (Economic Co-ordinator) who is responsible for all the economic activities. There is also a board of directors for all the economic activities in Sdot Yam. IP claims that Sdot Yam needs a human resource manager as well and that none of the traditional positions such as Secretary or Work Co-ordinator cover this area properly. This must be the general opinion since indeed Sdot Yam is looking to hire a person for the job of Human Resource Manager. The position of Work Co-ordinator, who is a member of the Secretariat will be replaced by a Personnel Co-ordinator who will also serve more strategic aspects of long range planning. The days of the traditional Work Co-ordinator are over. It is impossible to come to a member of Sdot Yam and tell him to leave his present position or job and do something else. This was possible in the past. In practice there is no way to force people to switch jobs if it doesn't suit them.

### 13.4.7.1 Introduction of Hierarchy

IP does not see herself as a part of the team of her work place and therefore not really a subject to any hierarchy. She works there only in the summers and can not refuse any work. She does not like the branch. In her opinion it is managed inefficiently and in an aggressive way. There was a woman who developed the business and built it from scratch. She went to study a relevant subject with the understanding that she will manage the business. When she came back she was pushed aside. There is no hierarchy in the community, however, there is a beginning of inner hierarchy in the business ventures, as IP's story demonstrates.

### 13.4.7.2 The General Assembly

The General Assembly is still the supreme power but most of the decisions are taken by committees and the council. The following story demonstrates the power of the General Assembly.

IP participates in the study programme of Sdot Yam. The programme is an agreement between the individual and the Kibbutz negotiated by the Secretariat. There was a dispute over the conditions of the agreement. The dispute was relevant to the whole group of participants on the programme and the group decided to appeal to the General Assembly. IP and the other students are eligible to talk in the General Assembly and even to appeal against any decision, but being candidates for membership they can not vote. The appeal was filed in the names of the parents in order to give it more power. The General Assembly heard both sides and after a discussion voted and changed the conditions of the agreement in students' favour against the decision of the Secretariat. IP admits that the participation rate was very low and comprised mainly from interested parties, meaning the students' parents. However, the decision of the Secretariat was challenged through the democratic process and the decision was reversed by the General Assembly.

For principal issues there are voting polls in Sdot Yam. Being a candidate for membership IP, like the rest of the young generation, is not eligible to vote. There are

special polls for the young 'would be members' in order to understand their attitudes and opinions.

When RA joined Sdot Yam there were 40 members and General Assembly meetings were very common. Today the General Assembly in Sdot Yam meets two or three times a year to elect the council or to discuss radical matters such as privatising the food. This was decided by the General Assembly since it involves changing a principle. The decision, by the way, was made to privatise the food provisionally and discuss the matter again after a trial period.

Decisions which the secretariat is not capable of making or does not want to make are transferred to the Council. The Council, according to ME, does not replace any of the functions of Secretariat. It does replace some of the duties of the General Assembly. It may happen that the Council decides not to make any decision in a specific matter and calls a General Assembly meeting. In that case all the members have the right to vote. This was the case of the agreement with the students.

The Council does not have the authority to conduct meetings behind closed doors. All the Council meetings are transmitted on the closed TV circuit. ME says that people who watch the meetings on TV and want to respond can simply go to the meeting and even respond through the phone. Some issues are only discussed as a preparation for a poll vote. In such cases the meeting will be transmitted several times and people will have the opportunity to watch beyond the participation. All the interviewees commented that participation rate in the polls is usually very high.

ME said that in spite of the establishing of the Council, the Secretariat still has a lot of freedom. There are always people watching the Secretariat and demand to bring issues to the Council and to the General Assembly. Someone raised the issue of the legality of the Council and demanded to bring the Council to the General Assembly again. The issue was discussed in the General Assembly and people voted for the Council. The main reason was that people recognised the fact that participation rate is very low and

random. The fear was that some issues will be decided by a small random group of people or by a group of people with interest. Most of the members preferred to have the decisions made by a balanced group of representatives who have the duty to come to every meeting. Having said that, the General Assembly still maintains the supreme authority.

### 13.4.7.3 The Rotation Principle

Professionalisation of management is expressed even in the terminology. The word Co-ordinator (Merakez) is substituted with the word Manager. IP claims that In the leisure centre where she works the manager is really a leader. She says that rotation does exist but it is not compulsory and sometimes it is limited within families.

RA claims that rotation is generally kept. There are several things which are not completely clear such as the length of a normal term. It can be four years and in some cases with two extra more years. In general there aren't any very long terms duties. The claim against rotation is that it breaks the continuity of management. So in Sdot Yam the terms of successful managers are extended. This is done mainly in industry. According to RA very few people in Sdot Yam are glued to their seats and rotation is not really an issue. There was a member of Sdot Yam who had a very high position in the government. RA recalls that this person did not have any problem in completing a term in the government and work in any job the Kibbutz placed him in.

### 13.4.8 Family and Communality

Sdot Yam went further away from communality than all other Kibbutzim in this research. The family is central as we can find in the urban society with the exception that children's homes, though only operating during daytime, have an important role in the life of the children. I was present in a 'Bar Mitzva' celebration in Sdot Yam. It was a celebration of the whole class of children who become 13 during this year. The celebration included a set of tests both individuals and in a group and took place on the beach. As can be expected some of the tests had to do with sailing. The celebration promoted, not so much the communality but rather the importance of the group in the life of the people of

Sdot Yam. Contrary to communalism, the strength of the group does not come instead of the family.

### 13.4.8.1 Communality

Today the family home in Sdot Yam is clearly very strong. The dining hall became mainly a place to eat, contrary to its past role as a place to meet other members. Sdot- Yam dropped its communal cloths store in 1939. Since then Sdot Yam made some more steps away from communality. The recent decision allowing the ownership of private cars goes beyond the ownership of the car. It actually allow private property and indirectly recognises the fact of outside family resources, since it is clear that buying a car from the personal budget is impossible

RA sees Communality as a value in itself but it is also a tool in fulfilling the equality value. He does not think that Sdot Yam moves, at least not for the time being, in the direction of separation of contribution from compensation. The whole concept of a Kibbutz member is changing, thinks RA. Israel has the law of protected tenancy of house occupants. This law applies to Kibbutz members as well. Now some people want to be able to leave their houses for their children as inheritance. Some members of Sdot Yam checked the possibility of registering the family homes on the names of the tenants. This action has implication far beyond the boundaries of the commune and involves legal issue. This year (1995) the Israeli parliament processed a law which will allow such a change to take place. The next stage after owning the family homes is expanding them from family resources. This has already been done in Sdot Yam. Though it is unofficial some families expanded their houses from their own resources, usually German compensation money.

IP favours very much what she considers the change which Sdot Yam is going through and the move away from communality in the direction of attaching compensation to contribution. She considers the mutual responsibility in education and health as sacred, but beyond that the limit is the salary getting into the individual's bank account. Today IP estimates public budget to be responsible to 50% of the individual's consumption.

IP looks at Sdot Yam as an economic venture which is managed by the partners. Every member works were he wants to, whether in the Kibbutz or outside. "We should keep the health and the education in our hands for security and keep compensation dependent on contribution at all levels. Everyone should make as much as he is worth. the old system is not suitable for the present and is working against the human nature". Common ownership on production means is a principle for IP and she thinks that Sdot Yam should keep it that way. Equality, however, is not suitable any more according to her opinion.

The people in the Kibbutz are not 'society thirsty' any more, IP thinks. They want to be left alone. People want to work outside in order to find a good job and in order not to be part of the social pressure cooker in Sdot Yam. having said that IP admits that the social aspect is very important for the young people. The most important thing for the returning youth is 'who else is here'.

There is great reluctance in Sdot Yam to deal with the issue of differential wages. Having differential wages means being paid according to ability and education, and there goes the last sign of equality. This first stage is the stage of bonuses. In the final stage of full differential wages an outside worker will get what he makes and other workers will get according to their job in the system. There is also the problem of unemployment. But for ME differential salary is not the red line. The limit is full privatisation of property including the real estate and houses. All the rest, claims ME can find proper solution within the Kibbutz system. Right now everything is commercialised. Even the regional school is not only for the Kibbutzim and from next year will formally serve all children in the region. ME comments that some Kibbutzim even privatised education and health.

RA says that if Sdot Yam wants to survive it has to adjust to the changing conditions. It has to change and adjust the changes to the Kibbutz way of life. Today nobody talks about red lines but for RA partnership is a red line. "If we give up the total mutual responsibility we will not be a Kibbutz. I also oppose the differential salary. There is no compensation for efforts and that is the way it should be". RA admits that Sdot Yam did not appreciate the super achievers enough but financial rewards are not the way.

Privatising the dining hall was against RA's opinion and he claims that so far it did not achieve the targets set for it. All other interviewees favoured it.

### 13.4.9 Standard of Living

It is quite interesting to mention that the first family house in Sdot Yam was built in 1950. This was the first house with en-suite toilet.

RA admits that there is private property in Sdot Yam. "We simply gave up and the whole Kibbutz movement gave up". There are people with private cars. The cars were bought from resources out of Sdot Yam. People can improve their houses, though the houses are the property of the Kibbutz. About owning the houses RA said "well, I don't like it but it is not beyond my red line". For ME having private property out of the Kibbutz is exactly the same as having private property in the Kibbutz. In practice, ME says, there are poor Kibbutz members and rich Kibbutz members. Beyond the equal budget for all the members there are the unequal factors.

An important aspect of standard of living which is talked about in Sdot Yam is the family homes. ME thinks that all property should be owned by the public. If somebody wants to invest in his home and expand it he is welcome but it will still be the property of the public. It happens here. People expand their homes according to plans approved by the Kibbutz. Some people push towards total private property.

#### 13.4.9.2 Private Consumption

IP says that if she wants a car for private use she has to order it in advance. Usually she doesn't get it. If she does get it she is charged by the mileage. Whether she gets the car or not depends very much on who is the car pool manager and who else orders a car.

The meals in Sdot Yam are privatised, which means that they are charged to the personal budget only when they are consumed. In my visit, when we entered the dining hall, my host produced a plastic card and his account was debited for two lunches. The

consumption is still totally separated from contribution. The people who do not work can still consume the same as anybody else.

### 13.4.10 Ideology and Principles

According to RA the largest crisis of the Kibbutz movement was in 1952. It was an ideology crisis (see 4.2). If we managed to overcome the ideological crisis we will get over the economic crisis. At that time the crisis was ideological, the division of the federation was ideological and all sorts of other problems were tied to that crisis. The whole Kibbutz movement was under a trauma. The present changes, according to RA are not really a crisis.

#### 13.4.10.1 Adherence to Agriculture

RA says that allocating agricultural land for non agricultural uses will be brought to the General Assembly. So far Sdot Yam did not allocate any agricultural land for non agricultural business. Sdot Yam was never dependent heavily on agriculture. The decision not to rely on agriculture was taken many years ago and now is not a problem.

### 13.4.11 Needs, Contribution and Compensation

Most of the items concerning this title were already discussed in this chapter under other titles. It is important to note that in all the interviews people did not relate to the term 'need' but rather to what the people want. It seems that needs are fulfilled and Sdot Yam is trying to fulfil the wishes, which is a higher level of standard of living.

#### 13.4.11.1 Welfare Policy

The power of the commune is in welfare with all its aspects including holidays and celebrations. ME would like to keep the health, education and culture with the public budget. Welfare policy has a lot to do with differential wages and ME sees it as follows: after you calculate all the different jobs and after you see to all the basic needs including pension plans you make it possible for each member to earn the basics by assigning normal work value to each job. Anybody who wants more can put in more effort whether in the Kibbutz or outside. It bothers ME that he brings a very high salary to

Sdot Yam and his own budget is in a deficit. ME said that he can give up half of his work and still be fine as far as Sdot Yam is concerned. "My salary is double the standard because I work in two jobs. I want to have the option to amend my personal budget from the extra money I make".

All members of Sdot Yam have pension plans. All interviewees perceived it as only natural and there were no arguments or conflicts about it.

#### 13.4.11.2 Choice as a Need

ME said that the main benefit in the privatisation was the ability to choose. Part of the agenda before privatising the food was improving the menu. Several people, if their work allows them, are eating elsewhere. It is much more expensive but still possible. ME thinks that a lot of money is saved by privatising the food.

### 13.4.12 Prestigious positions

IP says that managing the leisure centre is prestigious since it generates a lot of cash. On the other hand she says that any job which is supposed to be prestigious is not sought after by the people. The reason, according to IP, is that there is no compensation for the effort which is sometimes very high. The central jobs are very difficult and if success is not measured financially it is difficult to prove success. The Kibbutz society is very critical and the job holder has all the chances to come out a looser. There are no prestigious positions but there are powerful positions. IP admits that an outside job with a company car is very desirable. The company car carries with it the opportunity to go out of the Kibbutz..

RA does not consider the General Secretary as a prestigious position. "I appreciate a person by his achievements. Nobody is standing higher than anybody else". There is no appreciation for the job, according to RA, but rather for the person".

It seems that like in the other Kibbutzim in the research, prestige is not something people are busy with.

### 13.4.13 Summary - Sdot Yam Profile

Considering the history of Sdot Yam it is not surprising that changes sought by its members are sometimes extreme. These changes, though, are not involving a different moral standard but rather a different social covenant. The members of Sdot Yam do not want to live on anything else than their work. They do want to live on their work at the individual level. The issues which are on the agenda in Sdot Yam are the basic issues of Communality, Partnership and Equality with all their derivatives, such as private property and differential wages.

#### 13.4.13.1 Culture - Lifestyle and the value of Work

The commune is dying in Sdot Yam. The death of the commune is a process which started with hired labour and goes on with private property and may lead to differential salary. This does not mean that there is no ideology, only a different one. Sdot Yam is even willing to spend money serving a national target, especially in immigration absorption. However, lifestyle is becoming more suburban like. With private cars and the possibility to expand the family homes Sdot Yam will look like a wealthy suburb before long.

The attitude to principles in Sdot Yam is very serious. When a change in lifestyle involves a change of principle, such as the decision to privatise the food, it is discussed by the General Assembly. In the specific case of privatising the food budget the decision was provisional in order to be rechecked.

#### 13.4.13.2 Management - Investment and Decision making Process

The way the council is elected is a significant step towards a democracy of representatives. As with all other Kibbutzim the General Assembly is still the supreme power, however, most of the decisions are taken by an elected body of representatives.

Sdot Yam showed diversification of investment from very early days. In this respect it went through a different process. Agriculture was a side business. If we look at fishing as Sdot Yam's agriculture, we can identify a diversification process which started very

early, first to agriculture (which was understandable), then to industry and later to selling services.

The fact that the diversification process started so early in Sdot Yam explains why investing in different businesses and going to work outside the Kibbutz are not an issue.

### 13.5 Case V - Yavne - The Religious Kibbutz Movement

The religious Kibbutz movement is a small movement which amounts to about 7% of the total Kibbutz population. It is different in as much as it has a religious ideology which is above the communal ideology. The religious ideology is totalitarian and therefore is strange to the democratic ideology of the Kibbutz (see chapter 4). It is clear that religion is not a natural companion to the Kibbutz ideology. Religion is by no mean democratic. It is also based on an external force and the people are not its centre. The reason for selecting Yavne is its religious affiliation. The fact that Yavne is economically solid proved to be a result of its culture and not a culture driver. I visited Yavne twice during the research.

The religious Kibbutz can however, serve some of the terms of a control group since these parameters are different from the secular Kibbutz, while all the others are identical. Yavne will not be treated as a research control group, but the value of its inclusion among the case studies is in comparing the processes it is undergoing to these of the secular Kibbutzim.

#### 15.5.1 The Interviewees

**13.5.1.1 NH** 38 years old, born in Yavne. NH has a University degree in Biblical studies and Biology. All his education was financed by the Kibbutz. He is a teacher by profession and currently works as a teacher after several years in field crops. NH is married and a father of four children. His public activity is concentrated in the education area.

**13.5.1.2 TH** Born in Jerusalem and followed her husband to Yavne. After her marriage she became a member of Yavne. TH studied agriculture with the intention of being a teacher. Her studies were financed by Yavne. TH is working as a teacher.

**13.5.1.3 EB** 70 years old, responsible for the archive of Yavne. Joined Yavne in 1940 with a group of youth from Germany. EB does not have any formal education.

### 13.5.2 General Information

Many claim that the religious Kibbutz is different from the secular Kibbutz in the simple fact that the religious culture is a significant constraint which directs people to a reasonable way of every day life. Indeed, there are almost no religious Kibbutzim who found themselves in an economic crisis. The expenses per capita in the religious Kibbutz is 10% lower (on the average) than that of the secular Kibbutz. This is in spite of the fact that most religious Kibbutzim are economically solid. In a series of workshops organised in the Religious Kibbutz federation in the years 1961 to 1970 and which included all the Kibbutzim in the federation, the religious Kibbutz member was called for a controlled and self disciplined consumption as a condition for the fulfilment of religious values. Fulfilment of needs, for religious Jews, is a mean for existence and not a target and by no means a value. The religious culture dictates nurturing the community more than the individual. This calls for controlled and limited consumption. This part of the religion, therefore, tightens the socialist function of the religious Kibbutz (Fishman, 1990).

Rate of leaving among the young generation in Yavne is higher than 50%. Some leave because they don't want to live in a Kibbutz. Some decide not to be religious. The people of Yavne are not extremely orthodox but some people leave because they interpret religion different than the religious Kibbutz.

Apart from that Yavne looks like any other Kibbutz. It is located less than one hour drive south of Tel-Aviv. Yavne is not close to any border and was never considered a 'front Kibbutz'. It is one of the richest Kibbutzim in Israel but a visitor will not be able to find any difference between Yavne and most other Kibbutzim. Yavne is very green. As in most Kibbutzim it has a car park at the entrance and concrete paths for pedestrians, bikers and, electric tricycle for the elderly. Anybody who is of age or has difficulty in walking uses an electric tricycle. EB, who is 70 years old still uses her old bicycle but MY who is older uses the electric tricycle.

The dining hall is the first place which reveals the wealth of Yavne. It is very specious and the food is plentiful and varied. The family homes are in two story houses. they are specious but not different from the ones I saw in the other Kibbutzim.

The religious nature of Yavne does not present itself to the visitor. It can be identified by small half hidden facts such as the special instrument for washing hands before the meals which is used by religious Jews, the absence of women in shorts (a common sight in any non religious Kibbutz) and, of course, the traditional yarmulke on the men's heads.

The visitor to Yavne passes by the watch factory which is situated next to the entrance to the Kibbutz. Besides this factory the visitor to the residential areas does not see any of the commercial part of Yavne.

### 13.5.3 History

Yavne was founded by a group of German Jews. Though it was founded some 38 years ago, the founding group was established more than ten years prior to that date. The group was

formed in Germany in 1924 by the initiative of the 'Mizrahi group' (a religious Zionist movement). The group bought a farm, by the name of Rotges, in Germany in 1927 and prepared to move to Palestine. The first group had to move as individuals since no groups were allowed to enter Palestine at that time. In 1929 the first group of 21 arrived and settled in the centre of Palestine on land that was purchased before WW I. The group established a co-operative with the intention of deciding later of the desired way of life. In 1931 the group decided on the Kibbutz way of life and called themselves 'The Rotges Group'. In 1940 the group moved to its present place and changed its name to Yavne, after the name of an ancient town which existed in the area some two thousands years ago (chapter 5.2.2).

### 13.5.4 Population

Yavne runs a central education centre for all the religious Kibbutzim in the southern part of Israel. It has its own elementary and secondary schools with a lot of extra curricular activities. These schools serve other Kibbutzim as well and lately absorbed a group of children from the former Soviet Union. Adjacent to the school there are a library, sport facilities, learning rooms for adults and a synagogue.

The founding group of Yavne is of young German Jews. In 1931 a group of young pioneers from Tzcechoslovakia joined the group. With the rise of the Nazi party in Germany another group of youth from Germany joined, increasing the number of members to around 90. When Yavne settled in its present place close to 89% of its members were young immigrants from Germany. Later a group of the religious movement 'Bnei Akiva' from North America joined Yavne. Figure 13-13 shows the population in Yavne through the years. Today about 12% of the population of Yavne is over 65 years of age.

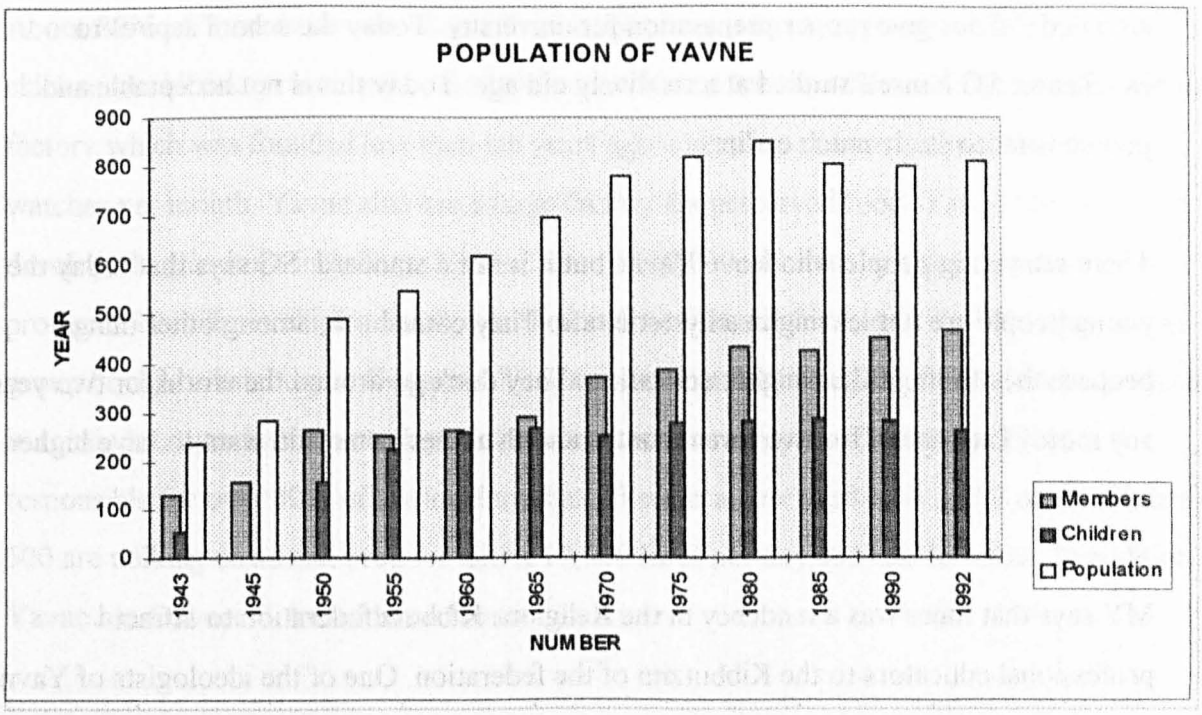



**Figure 13 - 13**

### 13.5.5 Education

Though detailed lists were not available, all interviewees claimed that higher education is very common in Yavne and many people have academic degrees. Some people have professional higher education. Yavne was the first Kibbutz to give matriculations to its children in 1955. Now Yavne pays for education three years beyond high school. This decision was made not long ago. The students have to give a certain number of working days in exchange for full financing.

According to EB there is only a timing question in obtaining higher education. If a person wants to study a subject which is totally irrelevant to the economy of Yavne he may have to wait but he will be fully financed. One member wanted to study theatre as a hobby. There was a discussion in the council and finally the issue was brought to the General Assembly which decided to finance his studies.

SG says that today first academic degree it obvious. People today insist on going to the university right after the army. SG said that this is a new phenomenon. The high school he

attended did not give proper preparation for university. Today the school aspires to excellence. SG himself studied at a relatively old age. Today this is not acceptable and people want to study much earlier.

There are young people who leave Yavne but it is not a standard. SG says that today the young people are not leaving in a hysteric rate. They come back, among other things, because they think of their higher education. They don't go around the world for two years any more. They travel for two three months and then they come and want to have higher education.

MY says that there was a tendency in the Religious Kibbutz federation to attract professional educators to the Kibbutzim of the federation. One of the ideologists of Yavne said in 1942 that Yavne needs educators. The socialistic issue is incidental to the religious Kibbutz. The main line is the religious education, equality of the religious education and modesty "be modest with your God". For MY it was clear that his home will not be in any other place than a Kibbutz because the importance of education.

Financing first University degree is unconditional in Yavne and second degree is easier now than in the past. There is a Studies Committee and its decisions are independant. The work place can recommend if the subject of study is important to the member's work. MY says that in general, though, the tendency is to allow second degree both for the welfare of the members and for importance of the higher education.

### 13.5.6 Economy

Yavne is a very solid and conservative Kibbutz which is based mainly on agriculture. As Y. Gadish puts it (Gadish is an economist who runs a consulting office. In the past he served in the Government's Treasury and was responsible for the Government budgets department) "The reason for the economic stability is that the observant
community is very disciplined and doesn't spend more than it earns."

About 80% of Yavne's income comes from its pure agricultural operations and from chickens and Turkeys hatcheries and Incubators. Yavne has two factories. There is the clock factory which was founded less than ten years ago and today produces about 20,000 watches per month. Yavne also has a large factory for preserved food. Yavne has very developed agriculture including chicken farm of 100,000 chickens, a hatchery which produces 20 millions chick annually for the local market and for export. In 1936 the Rotges group bought a hatchery in Germany. This was the foundation of the present hatchery which is a main business in Yavne today. Yavne also has a hatchery for Turkeys which is responsible for over 30% of the local market. There is a cow shed with 1,000 cows of which 500 are milking cows and produce about 10,000 litres per day and calf for meat. In addition Yavne has Olive and Avocado orchards.

### 13.5.6.1 Measurement of Success

EB says that the few people who work outside are measured by the amount of money they generate. The young people want to work with the economically successful branches. The competition is not hard since all the loosing branches were dropped. There was no disagreement among the interviewees that a successful branch is a profitable one. Figure 13-14 shows Yavne's income by sectors.

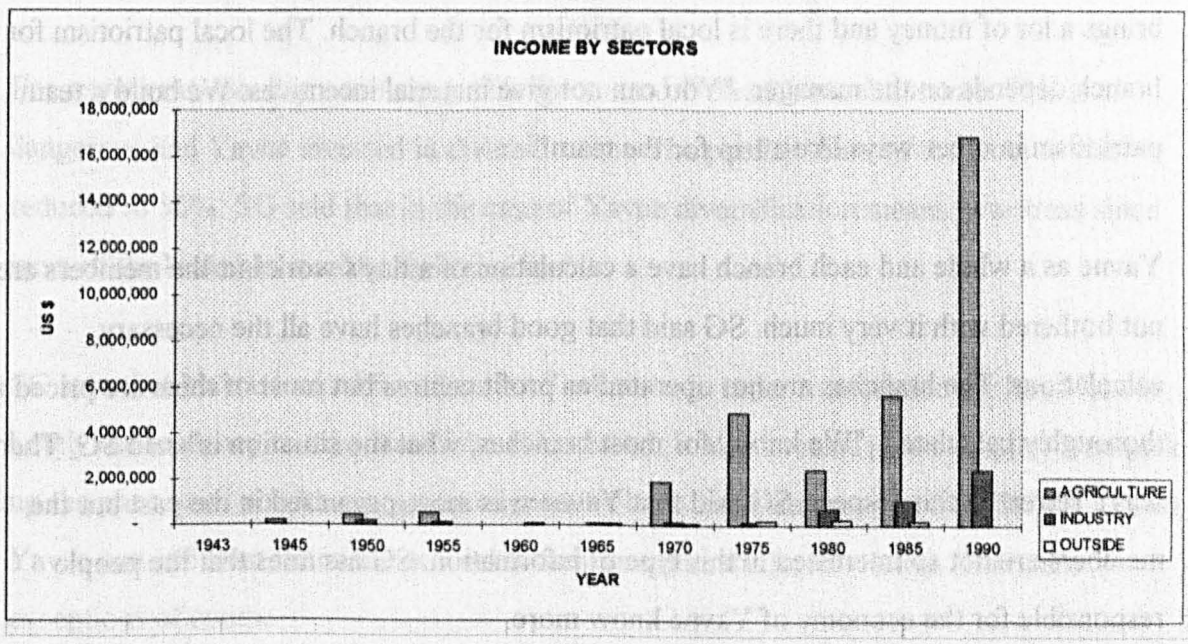



**Figure 13 - 14**

**i. The Worth of Work**

Yavne has very little hired labour and the number is not changing. EB tells of efforts to minimise it. There are some professionals in the watch factory and a professional cook. The reason for avoiding hired labour is, according to EB, the reluctance to face the class differences of employee and employer, the blue collar labourers who are hired and the white collar managers of Yavne. "We do not want to be an employer". The hiring labour mechanism exists but there is an effort to use it as little as possible. EB says that Yavne will not take a labour intensive economic venture which will have to be based on massive hired labour.

Yavne does not like outside workers and people have no tendency to work outside the Kibbutz. If a member wants to work outside he needs the approval of the General Assembly or at least the Council. EB claims that people prefer to work in productive branches. They do not look at the dining hall as a productive branch because it does not produce. It is a necessary service and people do it on a rotational basis.

According to SG work is a value in every society though the term work has changed. SG claims to be against easy money. Money should come from work. The branch he works in brings a lot of money and there is local patriotism for the branch. The local patriotism for the branch depends on the manager. "You can not give material incentives. We build a team patriotism in other ways like a trip for the team".

Yavne as a whole and each branch have a calculation of a day's work but the members are not bothered with it very much. SG said that good branches have all the necessary calculations. The branches are not operated as profit centres but most of them are priced and thoroughly calculated. "We know, for most branches, what the situation is" said SG. There was a retreat in this respect. SG said that Yavne was more organised in the past but the members are not so interested in this type of information. SG assumes that the people responsible for the economy of Yavne know more.

**ii. The Importance of Work**

There are almost no outside workers from Yavne beyond the minimum requested by the Kibbutz movement. EB says that people do not want to work out of Yavne. She anticipates it to happen in the future with people who will seek professional fulfilment, but the general tendency is against it. Work is still a value in Yavne, claims EB, and it is embedded in the education system. "We still educate the children that work is a value".

NH said that work still has its own value. The people value the work. Some agricultural branches receive more appreciation than they economically deserve. We take good care not to leave any land uncultivated even if the economic reasoning is weak. NH also points at the education for hard work and responsibility. "This is the German heritage of the founders".

**iii. Economic Value**

SG says that there is some misinformation about the economic worth of the people's work. "How do you measure a manager. I do not know my exact position. I do know the exact income of the branch but I don't know the exact financial situation of the other branches. The average member of Yavne doesn't know how much each branch is making. We know that all the branches are profitable".

For many years poultry was responsible for around 70% of Yavne's income. This is a dangerous and Yavne invested in diversification. The poultry share of the income was reduced to 50%. SG said that in the case of Yavne diversification means new areas since most of the branches reached their size limit.

SG says that Yavne looked for all sorts of solutions in order to minimise the hired labour. Lately the tendency to take hired labour increased. It also became much simpler. You pick up the phone and you have a group of workers here for as long as you like. SG thinks that Yavne can still trust the member worker far more than the hired worker. There are exceptions of course.

**iv. Ethical Limitations**

"We do have ethical constraints. Yavne did not go to the stock exchange and not from economic reasons. There were ethical reasons" claims EB.

SG said that he is sure that Yavne being a religious Kibbutz has a lot to do with the economic strength. There is the restrained consumption and there is the additional common interest of the religion. "Be modest with your God". We are conservative in economy as well as in our way of life". Ethical limitations are basically the result of education. SG said he will not invest in any kind of gambling like the stock market. Yavne is out of this game. SG said "We have to gamble so much in our solid business that I do not want to take any unnecessary risk. I want to make money in a solid and straight way. We produce 20% of the national chicks production and we have a developing business. We do speculate but we try not to gamble. Above all this is not a one man business who gambles on the money of the collective. We speculate on prices and so on, but we make money by working. We try to maintain a continuously rising standard of living. Therefore it is rising slowly. When all the Kibbutzim around bought colour TV we still had black and white. Our family homes are smaller than those of other Kibbutzim but we are solid".

**v. Attitude to Money**

NH said that investments are managed by a very small group of professionals which did not yet fail. Information is not available and nobody really is interested. Beyond a similar attitude to collective funds none of the interviewees related to money at all.

**13.5.6.2 Investment Shift**

Yavne always looked for industry to invest in. The typical members of Yavne are described by NH as hard working, very responsible and with a very limited imagination. "We had the conserved food factory on very small scale. It was very much labour intensive and involved very boring type of work. The factory employed many hired workers, a fact that many members found uneasy to live with". This was the main reason for modernisation which automated the factory and reduced the number of workers significantly.

### 13.5.6.3 Human Resources Shift

In the case of Yavne it is difficult to point at a radical human resource shift. Yavne started as an agriculture oriented Kibbutz and it is still in the same position. Yavne takes changes very slowly and very cautiously. The shift to industry, in Yavne, goes through industrial agriculture such as the hatchery and the incubators. From the human resources point of view this is a very mild shift. Figure 15-15 shows the annual working days invested in each sector in Yavne.

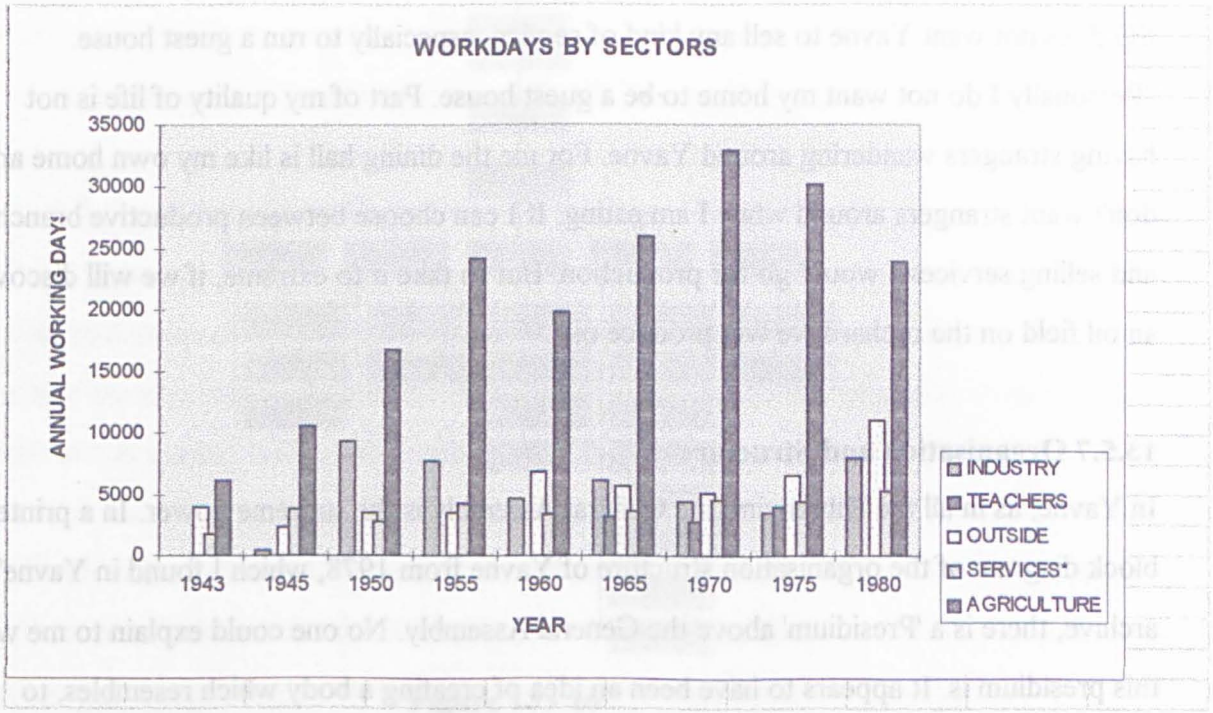



**Figure 13 - 15**

### i. Reduction of Communal Services

In my visit as well as through the interviews I did not observe significant signs of reduction in the communal services. The dining hall is still fully active. Friday dinner, which in some other Kibbutzim became a family evening, is still very much a communal evening in Yavne. Having said that it can easily be noticed that increased standard of the family homes decreased the need for some communal services. Each family home has a kitchen and can be totally independent. In practice it happens very rarely.

### iii. Services as Income Generators

Yavne does not sell any services. "we are not willing to be enslaved to a service which has to be maintained on Saturdays and holidays" says EB. She also admits the problem of finding people for the inner services. She says that other religious Kibbutzim have services and they face problems Yavne is not willing to face. She refuses to connect it with a principal bias against services, it just does not suit Yavne. EB claims that everything which generates income is productive. Not joining the service industry has to do with work that nobody is willing to do.

SG does not want Yavne to sell any kind of service, especially to run a guest house. "Personally I do not want my home to be a guest house. Part of my quality of life is not having strangers wandering around Yavne. For me the dining hall is like my own home and I don't want strangers around while I am eating. If I can choose between productive branch and selling services I would go for production. But to take it to extreme, if we will discover an oil field on the orchard we will produce oil".

### 13.5.7 Organisation and Structure

In Yavne, as in all the Kibbutzim, the General Assembly is the supreme power. In a printed block diagram of the organisation structure of Yavne from 1978, which I found in Yavne's archive, there is a 'Presidium' above the General Assembly. No one could explain to me what this presidium is. It appears to have been an idea of creating a body which resembles, to some extent, the house of lords. This plan never materialised and such a body never became a reality. I chose to mention it since in a non religious Kibbutz even the thought of putting anything above the General Assembly would have been impossible.

Apart from the non active Presidium the organisation structure is very similar to the standard. The Secretariat is an operative body which is elected for a period of three years. The General Secretary is responsible for the smooth operation of the committees and for representing the community in any non commercial interaction with the outside world. The Economic Co-ordinator (Merakez) is the Business Manager as in most other cases.

Yavne has a Council, which is also quite common in most Kibbutzim now. The Council is a buffer between the operating bodies and the General Assembly. Yavne chose to establish this function in spite of the high participation rate in General Assemblies in order to reduce the load from the General Assembly and allow it to deal with the important issues only. Figure 13-16 shows the organisational blueprint of Yavne:

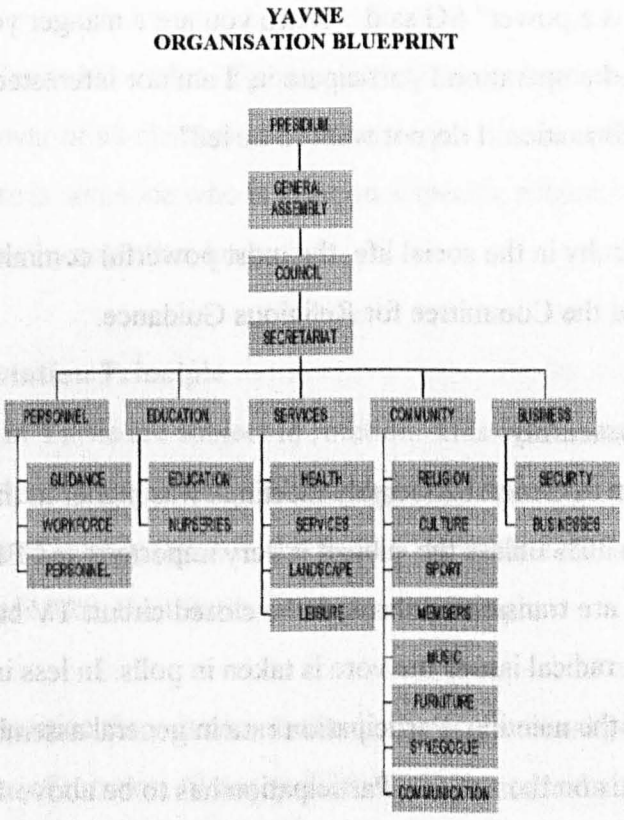



**Figure 13 - 16**

### 13.5.7.1 Introduction of Hierarchy

SG said that in the place he works all the people work from the floor to the ceiling as a team. There is no hierarchy but rather division of labour. Obviously there are some nuances of hierarchy since somebody has to decide what the other people will do.

SG also said that some people claim that there is some shadow of classes in Yavne. The group of managers is not very large. For himself SG said that "I can not work in my branch as a simple worker. Nobody asked me to move from my seat. But even if I will be asked to

move I will not be very happy. The chances of me remaining a simple worker, even in another branch, are very slim. There is a problem with the group of managers and it has to be solved".

The community of Yavne, according to SG, is not competitive in nature, but when a person reaches a managerial position he feels that he competed for the position and won. "Management, after all, is a power" SG said. "When you are a manger you control the situation. I want to lead the operation I participate in. I am nor interested in material reward, I am interested in the information. I do not want to be led".

Though there is no hierarchy in the social life, the most powerful committees are the Members Committee and the Committee for Religious Guidance.

**13.5.7.2 The General Assembly**

EB said that participation in General Assembly meetings was higher in the past. Today participation is as low as 30% unless the subject is very important and EB referred to it as 'very low'. The meetings are transmitted through the closed circuit TV but not in real time. In personal matters or in radical issues the vote is taken in polls. In less important matters the voting takes place in the meeting. Participation rate in general assemblies did not change for many years. It depends on the subject. Participation has to be above 10% otherwise the meeting can not begin. Some of the older people choose not to be involved and this reduces the participation rate.

NH said that drastic economic decisions can be brought to the General Assembly but people don't like to make such decisions and prefer to leave it to the professionals. For example, when Yavne built a new large medical centre, the investment was approved by the General Assembly because of the size of the investments. Each member can appeal to the secretariat or to a higher authority. Yavne has a council for several years but the highest authority is the General Assembly. There is a formal way to appeal as high as the General Assembly.

NH said that the Council should filter the subjects to be discussed by the General Assembly. The General Assembly used to meet once a weeks until not long ago. Now there are biweekly meetings with some cancellations. Participation rate is varied from around sixty members in a weak meetings to around 200 in an important meeting. Decisions are made by manual vote. Very sensitive decisions such as accepting new members are made by voting in poll boxes.

Committees in Yavne have a lot of power in their area of activity. They are still subject to the appealing power of all members of Yavne. In practice people do appeal in personal matters or if there is someone who is keen on a specific subject. This mechanism includes any decision made by any other body.

#### 13.5.7.3 The Rotation Principle

Public positions in Yavne are subject to rotation. This dose not mean that all the people will hold all the positions. The professional managers are not religiously rotated. It is rather spontaneous. There is no rotation in the factory. In several managerial jobs such as Economic Co-ordinator, the rotation is kept as a principle.

SG said that in practice there is no rotation in the professional positions. People understood the disadvantages of rotation. "I am specialising in my trade for the last 15 years. It will be stupid to put me in the watch factory. On the other hand it is healthy to change management styles. I do not have a problem to leave the hatchery and I have my replacement already picked up".

### 13.5.8 Family and Communality

Yavne is quite conservative in this area. While it was never extreme in its communality it is not extreme in reducing it now. As mentioned above, the family homes are large and specious and the children sleep at their parents homes. On the other hand the dining hall is still very active and all the religious ceremonies are done together.

### 13.5.8.1 Communality

EB said that Yavne is a little bit behind in braking the partnership but dining with vouchers will come to Yavne at the end. Most actions of reducing the partnership, such as family sleeping, were exercised in Yavne several years after most Kibbutzim.

EB's limit to the move from commune to family is not clear. A rich-poor differentiation, however, is beyond the limit and so is differential salary. In the case of differential salaries EB is worried who will set the salaries of the people and claims that, at least in Yavne, nobody will be willing to do it. These changes, according to her opinion, are far beyond the issue of private property. According to EB there are many people who prefer to have dinner at home and do so, but they get the materials from the dining hall - only the standard materials.

A neighbour Kibbutz cancelled the dining hall and SG knows that the members are happy. But, he said that as long as the dining hall is active it will exist. If the natural process will make the dining hall redundant it will cease to exist. SG does not see the dining hall as a matter of principle but rather as a matter of convenience. He points at a problem in the neighbour Kibbutz. The rich members and the poor members differentiation does not represent the income generated by the members but rather represents the family wealth. In such a case, SG claim, they don't have any justification for not having a differential salary. The situation in Yavne however is different.

SG says that the personal budgets are very tight. On the other hand there are no cuts in the health budget and the education budget. Children cloths were purchased through the Kibbutz. Some people wanted to purchase directly in the markets. The subject was brought to the General Assembly and, surprisingly enough, some young women said that they prefer the communal way. Next time it may be changed. As long as the community provides the individual with good service the individual is content and the desire for change is weak. This may be the reason, according to SG, for the very slow changes in Yavne.

The problem of private property rises when children leave the Kibbutz and the parents want to support them. Yavne allocated a special grant for children who leave Yavne. SG does not recall any problems concerning this issue. SG describes the attitude towards partnership: "I think that partnership and equality was absorbed in the community by the old members. The second group, now about 60 years of age, was even more extreme than the first group. The younger generation who are about 35 to 40 years old absorbed it through the education. In the last 10 or 12 years the belief in the ideal of equality is deteriorating. It fluctuates but generally deteriorates and is a reason for leaving Yavne.

NH said that there is a tendency to transfer funds from the public budget to the personal budget. The changes are very small and very slow. The most significant change is that cloths for children are now in the family budget and not going from a centrally financed warehouse. It started with teenage girls and it did not pass easily. The opposition was both of convenience and of ideology. Buying your own cloths symbolised the urbanisation. The situation in Yavne now is less than 20% personal against 80% public budget. People use the dining hall. When the weather is bad some people eat dinner at home. In the summer most of the people use the dining hall all the time. There was an attempt to make private electricity meters. It met a strong opposition and the attempt failed. Even representative meters met strong opposition and there is no electricity budget for households. Phone calls are paid by the users. Yavne was one of the first Kibbutzim to install phones in the family homes. The closed circuit TV is used for movies and distributing information.

#### 13.5.8.2 Family Sleeping

Family sleeping, according to EB's opinion, did not really change Yavne. In the past the thought was that education should be given in children's homes. EB doesn't refer to it as a principle but rather a sacred arrangement which, during the years, became a principle. When this arrangement was dropped it did not really change Yavne. EB does recall that in Yavne it passed very easily in spite of the fact that family sleeping was a drastic change since it involved many aspects beyond the ideology. The financial implications were very significant. EB claims that no people left Yavne because of the family sleeping.

Yavne moved to family sleeping very late, in 1986. SG tells about his childhood in common sleeping and thinks it is bad for the children, though some people remember it very favourably. "I did not know my sister until I grew up. My brother in law introduced my sister to me" said SG. "There was an ideological opposition to family sleeping as well as for installing phones in the houses. Some people claimed that having phones in the houses will keep the members in the houses and the community will suffer". NH finds that the main change caused by the move to family sleeping is that since then everything begins later in the evening. It also effected the participation rate in General Assemblies.

#### 13.5.8.3 Family Network

SG is sure that Yavne has richer and poorer members. "If I had parents outside Yavne who were willing to give me £500 per month this would have made me richer than the other guy who was born in Yavne. However, in Yavne you don't notice it. There is no difference in the standard of living across the Kibbutz. It is not that we are very modest. We have all the modern facilities but all the people have them. There may be some differences when we go out of Yavne. One goes abroad and sleeps in youth hostels, the other sleeps in five stars hotels. The differences, however, remains outside the borders of Yavne.

NH also agreed that some people are supported by their families outside Yavne but it is of small scale. There are very clear rules about most types of family support such as trips abroad etc. The rational behind the rules is that differences should not be expressed in everyday life in Yavne.

### 13.5.9 Standard of Living

The consumption level of the religious Kibbutz Movement in general is lower than in the other federations, even as a percentage of the free income of the community. In 1982 the consumption per person in the non religious Kibbutz movement was similar to that of the highest quarter of the Israeli population. The consumption of the religious Kibbutz was significantly lower. In 1989 and 1992 the consumption of the non religious Kibbutz went

down to the third quarter. The consumption of the religious Kibbutz went steadily up but still remained lower than the average of the main Kibbutz movement (Arich U. 1993).

### 13.5.9.1 Imitating the City

EB does not think that Yavne members have strong ties with the nearest town, neither does she see any imitation of the city in Yavne. There is no disco or a pub in Yavne but the young ones go to the town for entertainment. For SG imitating the city is very frightening. "We could go to the nearest town to a pub, but this is not the religious way of entertainment. Religious Jews have a habit of drinking on the weekend, but the night club culture does not go hand in hand with the religious Kibbutz culture". However, opposing the night entertainment has nothing to do with religion and today the ultra religious music is pop music, but is still different in its nature from the urban night-club entertainment.

MY also does not identify any tendency to imitate urban life. In general there are no pressures to privetise any consumption item in Yavne. Yavne always spent more on the community than on the individuals. The family homes are small but the dining hall is large and modern. Air conditioning was first installed in public areas, but now all the houses are air conditioned. People understand that and know that once an item is moved to the private budget it will be calculated to the penny. As NH referred to the issue of the personal budget "In Yavne some problems are solved with the power of money, and where there is a lot of money many problems are solved before they make an issue.

### 13.5.9.2 Private Consumption

Formally there is no private property in Yavne. EB said that in practice people inherit apartments outside Yavne and usually keep them. Nobody uses the property or its fruits in Yavne. Property is used by children who leave the Kibbutz. The people of Yavne decided not to deal with this issue since it is a Pandora Box. There is some private property but all interviewees agreed that it is not reflected in the life here in Yavne and were satisfied with the present situation. There are no private cars in Yavne and good care is taken to have enough cars for private use so that the question is not relevant.

Several members in Yavne receive compensation money from Germany (for WW II losses and suffering). All this money is held and managed by the Kibbutz. The money can be redeemed under certain conditions but not for spending within Yavne. After the death of the recipients the money is passed to his relatives. Only one person in the history of Yavne left because of this arrangement. In some Kibbutzim the members keep the German compensation money and usually use it to improve the house and other aspects of their standard on living. This habit creates a situation of a rich member and a poor member. According to EB a decision allowing the recipients to keep the German money should involve a decision to compensate those who do not receive German money, "otherwise we will have rich members and poor members". In Yavne there is no such difference. It is possible that some of the people are richer on paper but they can not use it in a way which shows it. There was not even one case of not giving the money to Yavne.

SG reveals a decision made about fifteen years ago to give all private property to Yavne including inheritance. In spite of that SG doesn't have any doubt that some people get some help from outside. Referring to that SG said he prefers to have a healthy community in a non communal form than the perfect Kibbutz and a shattered community. SG considers Yavne to be open to changes but a community which prefers to make the changes from a powerful position. Being conservative, SG thinks, gives Yavne a powerful position.

Yavne, MY said, uses its wealth in order to solve some of the problems. There are rules for travelling abroad. There is almost no chance for travelling against the rules since the rules cover the wishes of all the members. The issue of covering all needs is not a problem. All the problems are solved with money. If someone wants a scuba dining course Yavne offers it for all and so on. Beyond that MY doesn't think that Yavne maintains a high standard of living. "We have everything we want". Each house has a TV. Most people have a computer and there are enough private vehicles if you order in advance. MY said he can remember only once that he could not find a car without ordering in advance. If the Vehicles Co-ordinator is efficient everything goes fine. Yavne often hires cars as well.

### 13.5.9.3 Non Material Benefits

Though the main motive for settlement in Yavne was not a pure religious one which is expressed, for example by the absence of a Rabbi in Yavne, the desire to achieve wholeness of religious life with Jewish humanity directed the founders to seek communal life. Yavne is perceived by its members as a social unit which enables the existence of a whole religious unit which governs all aspects of life. The partnership in economy and organisation is based on mutual ideology and values.

### 13.5.9.4 Social Security

Yavne keeps external pension plans for all members. Compensation for members who leave are high. MY said that there is no motivation to leave earlier. On the contrary. Another years in Yavne adds a lot to the leaving compensation.

## 13.5.10 Ideology and Principles

SG claims that ideology still exists in Yavne. Ideology is not represented by the old slogans. The most important expression of communal ideology of 'give as much as you can and get as much as you need' is still valid in Yavne. "After all" SG said "life in the Kibbutz is voluntary. Some people in the Kibbutz think that the city is a place with unlimited opportunities. They think that you hire and fire any time you fill like it. In the Kibbutz as well as in the city no two people work the same and no two people perform the same. And more than that, no two workers are motivated by the same incentives". As a manager in Yavne SG does not favours differential wages. However, he believes that in Yavne people wake up in the morning with the true intention of contributing as much as they can to Yavne. There are people who have to be put in place but SG does not think that Yavne needs the whip of the differential wages. If the basic trust will be lost and Yavne will need any kind of monitoring and whipping, SG thinks the community will fall apart.

MY joined Yavne from pure ideological reasons. "We were a group of religious students in Jerusalem. We agreed to establish a settlement in the old city of Jerusalem with the purpose of helping to educate children. The group was a voluntary commune. We shared everything

and this was our home. We were a kind of an urban Kibbutz. We entered the old city in 1940. and there was an idea to send the children out of the old city to a Kibbutz. The first group was sent to Rotges. The connection with Yavne was ideological and educational. The basis was not so much socialistic but equality is a value according to the Jewish religion.

MY said that the ideology of 'warehouse A' is long dead (this was the time that people shared even their clothes including underwear and cloths were stored in public warehouse by their size only). Today's expressions of ideology are different. Eating in the dining hall is not something appreciated very much in Yavne. MY said that some of the partnership ideas are a little bit childish and are not feasible in modern days, but he thinks that the basic ideological values are still valid: equality of mankind and equality in property (with minor deviations). MY talked about one member of Yavne who inherited a flat in Jerusalem. MY said he does not know who owns the flat, but it is used as a leisure flat for the people of Yavne.

MY claims that there are two main reasons for leaving Yavne. Loosing the equality ideal is the first one. Religion is the other. Some people find Yavne not religious enough. Religion as a basic element of life is one of the reasons for their Kibbutz ideology. Kibbutz, according to MY, is the proper place to give the children the proper Jewish education. One of the values of Judaism is "live by your work and be content with what you have".

As for the religious ideology, here Yavne is also conservative. There is no Rabbi in Yavne. Bringing a Rabbi, according to MY, is considered a radical change which needs a preferred majority. The decision to bring a Rabbi failed to have the necessary majority in the General Assembly. The people of Yavne are not bothering each other and they let the other live the way he likes. This approach to religion applies also to the social life and this is, probably the reason why the issue of private property is not a problem.

### 13.5.10.1 Adherence to Agriculture

EB looks at the hatchery as industry even though it is a direct derivative of agriculture. According to EB Yavne is invested in agriculture not only because it still has the land and there is also a more principal issue. According to EB Yavne have to have agriculture. SG also said that having agriculture is part of the Kibbutz entity. "We may not call it a principle but it is still there. We will not keep an agricultural branch just in order to have it. everything is measured by its bottom line, but if I can make a living from agriculture I will not look for alteernatives".

When MY joined Yavne he wanted to join one of the agricultural branches but the Kibbutz wanted him to work as a teacher. Working in agriculture was, and still is, a value for MY and only the importance of the education caused him to agree to become a teacher and a headmaster.

#### i. Agriculture and its Alternatives

The watches factory was the idea of one person (Yaacov Gadish who served a period of four years at the Government treasury and was responsible for the national budget). EB claims that if it wasn't for him the venture would have been dropped. Now it is the second largest income generator in Yavne. If a member of Yavne wants to raise an idea he has to prove that it is economically feasible. Even in agriculture the unsuccessful branches were dropped in spite of the nostalgia. EB said that some people took it very hard but they all got used to it.

MY recalled that Yavne was basically an agricultural farm. But in order to make a living it had to turn to industry. Yavne started with a meat factory for the army and until today most of Yavne's industry is agriculture related. There are people who are still sworn to agriculture and MY said that it is not a coincidence. There is an ideological value to agriculture. There is a children farm which educate the children that agriculture is a value. Selling services is against the mentality of Yavne according to MY. "We had an ethos of the connection to the land. I remember one day, after being a teacher for many years, I came back from working in

the vineyard with working cloths and full of mud and my worth in the eyes of the children increased very much".

Development of industry was slow. People opposed it because it absorbed man power and was not profitable enough. There is a process which MY doesn't like. The value of agriculture has deteriorated. There is less prestige in agriculture. But unlike other Kibbutzim in Yavne there is no prestige in working outside except for very few cases.

Changing allocation of agricultural land is considered by NH to be a radical change. Allocating agricultural land for residential building for sale, for example, will make a lot of noise and NH anticipates that it will not pass the General Assembly. Agriculture is still part of the education and people are happy to make a living from agriculture. The best part of Yavne's industry is simply industrialisation of their agriculture.

**ii. Attitude to Agriculture**

The religious Kibbutz is more heavily based on agriculture than the non religious Kibbutz. Yavne has people who are agricultural ideologists. Working in the children's farm is part of the education. When the children grow up they work to make a living in what is natural for them. Yavne insisted on having one matriculation exam in theoretical agriculture.

**13.5.10.2 The Self Sufficiency Rule**

EB considers the self sufficiency issue as purely economic. The autarchic dream does not apply today. None of the interviewees expressed any other view of self sufficiency.

**ii. The Economic Aspect**

NH said that people are very aware and very proud of the fact that Yavne is economically independent and successful. The economy in Yavne, so it seems, is not a good reason for everything. There was a proposal to build a gas station with a shopping centre. People did not like it and it got stuck at some stage. "We have to make a living" said SG "and I will do

anything legal and moral in order to make a living. If I can choose I choose not to sell services. Somebody thought it is a good business idea but the people did not like it".

### 13.5.11 Needs, Contribution and Compensation

The term need is individual according to EB. When there was nothing, the term need was very clear. Today it is very difficult. Many problems which existed because a lack of money disappeared.

NH claims that the differentiation of needs is solved by the power of the money. In some cases it involves convincing the Council. The cultural development of the member, for example, is considered to be the need of the Kibbutz and in many cases Yavne pays for it. Dancing classes are fully financed, scuba diving was highly subsidised and so on. There was a gifted child who wanted to go to a summer course in the university. The council discussed two questions, is the child gifted and does he have special needs. The money was no obstacle. The general approach is that the happier the people are the better the community is.

#### 13.5.11.1 Welfare Policy

The people of Yavne have external pension plans and they are not dependent on the economic strength of Yavne for their old age welfare. Not many people left Yavne but compensation for leaving family is quite high. Economically a member who leaves Yavne can stand on his own legs.

### 13.5.12 Prestigious Positions

EB said that field crops are still the most important branch in Yavne and everybody wants to work there. The manager of the field crops is a very prestigious job. "We do not like to think of positions as subject of prestige" she said. "Some people are appreciated as people. That has nothing to do with their positions. It is only natural that appreciated people will hold prestigious positions" says EB. She also commented that the General Secretary is a prestigious position but most people do not want to hold this position. The General

Secretary has to know the personal problems of all the people and nobody wants that. Economic Co-ordinator (Merakez) is a very prestigious position and a very powerful one. It is easier to find candidates for the position of Economic Co-ordinator than for a General Secretary. EB also considers managing any of the factories as very prestigious position.

SG says that people do not like to work out of Yavne because it is not looked at very nice by the other people. Also the outside worker looses a very important connection with the community. Generally speaking, working outside is not prestigious at all. Some of the administrative positions are considered political as opposed to productive and therefore not prestigious. On the other hand SG said he does not see people jumping to do managerial jobs.

According to MY the whole issue of prestige is not very strong in Yavne. In the past when travelling abroad needed the approval of the General Assembly any job involving travelling was prestigious. Travelling on business needed the approval of the Economic Committee and travelling created some jealousy. The job itself was not prestigious. People want a specific job since this is what they want to do professionally, not for the prestige. MY claims that most people remain modest as they climb the ladder.

NH said that the group who manage the investments is very prestigious because of its power and professionalism. Economic Co-ordinator is a very prestigious position. The General Secretary position is debatable. It is prestigious to a point. "I would like to be offered the position in order to refuse" said NH. The job is thankless. But offering the job is a recognition of the value of the person.

SG puts it very clearly, according to his opinion Being a good General Secretary carries with it high prestige.

### 13.5.13 Summary - Yavne Profile

Yavne is a very conservative Kibbutz. This is reflected in the speed of the processes of change in all aspects relevant to this research. The share of agriculture in the economy of Yavne is much larger than in the other Kibbutzim in this research. This is typical to the religious Kibbutz movement. It is very solid economically and maintain a standard of living which is lower than dictated by its financial condition.

The non democratic nature of religion resembles to an extent, the non democratic affiliation of the leftist Kibbutz movement "Hashomer Hatzair" in its early stages, to the communism of the Soviet Union.

**Culture - Lifestyle** - Lifestyle in Yavne is the result of three elements. The strong economy pushes the standard of living up while the socialist ideology and more strongly the religious ideology push towards Puritanism. The standard of living in Yavne can not be defined as puritan, but it does not reflect its strong economy.

Lifestyle is strongly effected by communalism and the Jewish religion. While the family is very important (also by the Jewish religion) the collective is still strong and the family does not replace it yet.

**Value of Work** - Not only that work is still a value in Yavne, but people are even willing to admit it. However, it has to be noted that this attitude goes along very well with the Jewish tradition. The desire to make a decent living through work and shun the easy money is deeply rooted in Judaism as well as in Socialism.

The total reluctance of the people of Yavne to join the services industry, though not explained in ideological terms, comes from an ideological infrastructure which promotes work as a value.

**Management - Decision Making Process** - The decision making process in Yavne is based on the same organisation structure found in many other Kibbutzim. The high participation rate in General Assembly meetings elevates the direct democratic process. On the other hand all the financial management is very centralised and secretive in a way which could not be tolerated in any other Kibbutz in this research.

**Investments** - Yavne is still based on agriculture. Most of Yavne's industry is actually industrialised agriculture. A real shift in direction of investment both financial and in work force occurred very late, in the mid eighties. Yavne refused to invest in the service industry and is strongly devoted to agriculture.

## 14. Discussion and Interpretation

The purpose of this chapter is to interpret the data collected in the literature study and the field research and obtain a meaningful body of new knowledge on the research problem (chapter 1 section 1.1).

The Traditional Kibbutz Tree Model (chapter 4.5) is used as a guide for the interpretation of the research findings. Each item in the model is related to the hypotheses and analysed in order to study the changes it went through along the history of the Kibbutz. A journey beginning with the background and ending with the research findings created a new version of the Kibbutz Tree Model. This version of the model reflects the nature of the modern kibbutz. The differences between the two versions of the Kibbutz Tree Model demonstrate the relevant changes in the Kibbutz.

While building the model was done from the bottom up, beginning at the roots - the ideology - and going up to the practice, the analysis begins at the top, at the practical principles and goes down. The changes in the practical principles point at the cultural and ideological changes.

### 14.1 Practical Principles

As indicated in chapter 4.5 the Practical Principles are the guidelines for everyday life. We are interested in those guidelines which were officially changed as well as in those guidelines which were changed de-facto and in which the official decisions followed the practice, or not yet followed it. The Modern Kibbutz Tree Model describes the values and principles as derived from the actual day to day life and the attitude of the people in the five researched Kibbutzim. It is the end results of the changes which began with the traditional Kibbutz as described in the Traditional Kibbutz Tree Model.

THE TRADITIONAL KIBBUTZ TREE MODEL

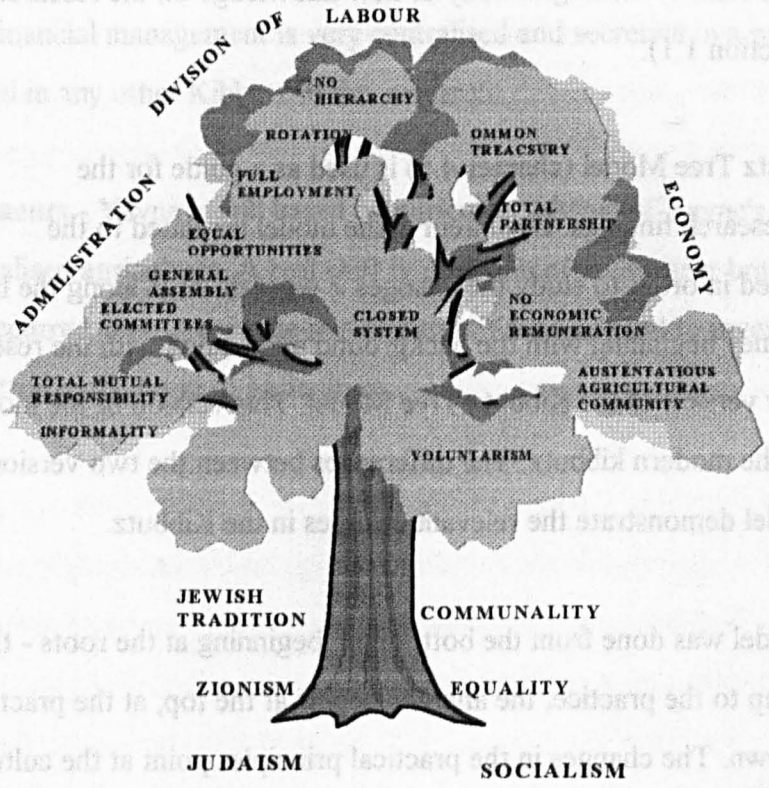



**Figure 14 -1**

### 14.1.1 Administration

Administration is one of the three areas dealt with in the Kibbutz Tree Model. Both culture and management changes are reflected in the practice of the Kibbutz administration. It deals with the decision making process and therefore relevant to the third and fourth hypotheses. The Kibbutz Tree Model identifies five items in this area.

The antagonistic approach to management was not invented in the Kibbutz. The Jewish tradition does not think much of managers and treats them as mere administrators or 'wheelers and dealers' with the common derogatory sense. This attitude begins as early as the Biblical period (chapter 7.1). It is not common to hear about 'management' in the Kibbutz but rather about 'co-ordination'. There are no 'Managers' only Co-ordinators

and no hierarchy. Never the less, the Kibbutz has its administration and the importance of the administration is more widely recognised with the increase in the complexity of the economic activities. Following is an item by item interpretation of the changes in the Kibbutz administration as observed in this research.

#### 14.1.1.1 General Assembly

The role of the General Assembly is twofold. It is the Kibbutz interpretation of the basic value of Equality and represents an ideological concept of Direct Democracy. In this role it is part of the Kibbutz ideology and culture. It is also a practical concept of the type of decision making process and in this role it is part of the Kibbutz management patterns.

The General Assembly is addressed directly by the fourth hypothesis. The first sub-hypothesis assumes introduction of hierarchy in the Kibbutz through establishing board of directors to Kibbutz businesses, including outsiders in powerful positions, and by granting significant decision making power to committees. The role of board of directors was carried out by the General Assembly. The decision power of the committees was also limited by the General Assembly. The third sub-hypothesis assumes a significant reduction in the participation rate of the members of the Kibbutz in General Assembly meetings. The low participation rate caused a practical change of the type of democracy and the traditional pattern of decision making. The traditional role of the General Assembly and its place in the Kibbutz organisational structure are widely described in chapter 11. Prof. Lanir claims that the complexity and nature of decisions combined with the lack of presentation technology and proper information to the masses created a situation in which the Kibbutz members can hardly participate in the decision making process. This may be the reason for the low participation in General Assembly meetings. The decision making became a task for the professionals in the field of the decision (Lanir 1990).

The case studies revealed several formal and informal changes in the role of the General Assembly in the decision making process. The change in the organisational culture (and hierarchy) is reflected in the type of decisions made by the General Assembly. The

General Assembly retained its position as the supreme power and the ultimate source of authority in all five Kibbutzim. It can reverse any decision made in the Kibbutz (specific examples in the cases of Sdot Yam and Maanit in chapter 13). Four of the five Kibbutzim in the research elected a 'Council' which is an elected board representing the General Assembly in day to day life (see general Kibbutz organisational structure in chapter 11.1 and the specific cases of Cabri, Sdot Yam, Maanit and Yavne in chapter 12.2). Amiad does not have a council and seems to be in the process of changing its management pattern in search of a suitable one (chapter 13.2). The general direction is, however, the same as in the other Kibbutzim in the research, namely unloading the operative decisions from the General Assembly and delegating them to elected bodies. There is a differentiation in the decision making process between professional issues and social issues. While professional issues are decided by elected professional bodies, social issues are more commonly decided by the General Assembly. The General Assembly meeting became a stage for discussion while votes are done through poll boxes and not in the General Assembly Meetings. This way of voting is exercised to different degrees in all five Kibbutzim. The difference in the decision making process between professional issues and social issues points both at the importance of the social issues and at the fact that the social issues are 'everybody's interest' and everybody have a relevant opinion.

A diminishing rate of participation in General Assembly meetings, which went as low as 20%, threatened to reduce the direct democracy to democracy of interested parties with the exception of the very conservative Yavne with a higher rate of participation. All Kibbutzim retained the traditional democratic process by separating the discussion from the voting and by bringing the discussion to the households through closed circuit TV. Active participation is still low but passive participation, namely the General Assembly meetings watching rate, and the voting rate are very high in all five Kibbutzim. There is high awareness in all Kibbutzim to the democratic process with different degrees of satisfaction from the modern way. Amiad is considered by its members to be a full direct democracy. Members of Cabri admit that some decisions are made by a small group of interesants but are satisfied that the modern pattern is, practically, much more democratic

than the old one. In Maanit there is still dissatisfaction from the possibility of decision made by a small group of interesants.

**Summary:** There is no change in the ideological basis for the General Assembly as the Kibbutz interpretation of Equality through Direct Democracy. The General Assembly is still the top of the Kibbutz administration. More than that, steps were taken to compensate for the lack of enthusiasm of the members and the low participation rate in order to retain the principle of direct democracy. The General Assembly is focused more on policy matters similar to the General Assembly of Mondragon (chapter 10.1), but its authority and power are unchanged. The General Assembly will, therefore, appear in the Modern Kibbutz Tree Model unchanged.

#### 14.1.1.2 Elected Committees

This practical principle goes hand in hand with the General Assembly principle as the Kibbutz way of preserving the Direct Democracy. The committees are elected by the General Assembly, they report to it and the derive their authority from it. This principle is directly addressed by the fourth hypothesis which assumes granting more decision power to committees in matters previously decided by the General Assembly.

The changes in the role of the committees are the reciprocal change in the role of the General Assembly, the most significant being the founding of the Council. The Council is, actually, an elected committee which represents the General Assembly in day to day activities. The Kibbutz is not managed by the General Assembly but rather by committees. Applying the Kibbutz non hierarchical structure to industry failed. Electing board of directors with outsiders was a compromise between the committee which had the interest of the Kibbutz in mind and a dedicated management which was loyal only to the specific business. The increased decision making power ability of the committees is the result of the highly specialised economic activity which made it impossible for the lay member to make educated business decisions.

The Elected Committees principle of the Kibbutz was shared with the Israeli economic administration mainly in the 'Histadrut' - the Israeli Trade Union, which was until not long ago the largest employer in Israel. The Trade Union was managed by an elected 'Secretary' and most managerial work was performed by elected committees.

With the specialisation of the economy the traditional decision making pattern proved to be inadequate. As one interviewee expressed it "the first time I had to decide which Tractor to buy I stopped participating in General Assembly meetings". Members voluntarily gave up their right to participate in making decisions by not participating in General Assembly meetings because of lost interest in the day to day issues. This tendency damaged the direct democracy and reduced it to a 'democracy of interest groups'. While benefiting the professional decision making pattern it damaged the democracy in principal issues. All five Kibbutzim went through the same process of low participation rate in General Assembly meetings and the people were aware of it. In order to remedy the situation in all five Kibbutzim, professional decisions were pushed down to the professional committees with the General Assembly retaining its power for the last decision in case of dispute.

**Summary:** Though there is a significant change in the role of the committees in the Kibbutz there is no change of principle but rather a quantitative change of interpretation within the practical principle, namely more responsibility delegated to the committees from the General Assembly. The new model will, therefore, have the Elected Committees practical principle unchanged.

#### 14.1.1.3 Total Mutual Responsibility

The mutual responsibility principle is indirectly addressed by the third hypothesis. The third hypothesis assumes that the Kibbutz is changing into a consumption oriented community with higher individual needs. The mutual responsibility principle is tied to the definition of needs since, under the total mutual responsibility principle the Kibbutz is obliged to provide all its members needs. The term 'need' is, therefore, part of the Mutual Responsibility principle.

The Total Mutual Responsibility principle is one of the foundations of the traditional Kibbutz. The Kibbutz is defined as a form of existence comprising every dimension of its members' life and as such sees to all their needs (chapter 4). The mutual responsibility principle is a derivative of both the Equality and the partnership values and while having a very strong moral nature it also dictates an administrative concept. The children's homes of the past which gave all children in the Kibbutz all their needs regardless of their parents position, the common, free, clothes warehouse and even the common treasury are parts of the same concept (chapter 4.3). The Kibbutz took care of all the material needs of its members. Non material needs, such as self fulfilment and sense of achievement, were not discussed and were not necessarily a part of the mutual responsibility concept (chapter 4.3).

In the early history of the Kibbutz, the principle of mutual responsibility was extended beyond the individual Kibbutz and even beyond the boundaries of the Kibbutz movement. The Kibbutz movement supported weak Kibbutzim while limiting the increase of standard of living in wealthy Kibbutzim (chapter 13.1). In 1964 the desire was expressed for "more equality and more mutual responsibility (chapter 11.2). The United Kibbutz Movement was committed, from its inception, to help build and defend the Jewish community in Israel. All other Kibbutz movements perceived themselves as Zionist movements with responsibility towards the revival of the Jewish state and the welfare of its people (chapter 4.2 and 4.3).

But mutual responsibility beyond the boundaries of the family was not invented by the Kibbutz founders. It is found as early as the Biblical period in the first period of settlement of the Hebrews in Canaan land. Mutual responsibility went beyond the boundaries of the tribe in cases of major trouble (chapter 7.1) and was the reason for unity of the Hebrews around an Ad - Hoc leader (chapter 5.2). Later in Jewish communities all over the world a high level of mutual responsibility is known to have existed (chapters 7.2 and 5.2 and 4.4). Even Herzl, the non-socialist, describes a situation of mutual responsibility among the lower class members (chapter 6.3). The state of Israel, being a welfare state also exercises a principle of limited mutual responsibility.

There is a government placement system for the jobless which includes free professional training and a system of unemployment compensation. Young couples are getting government help in buying their first home and there is also child benefit similar to that exercised in the UK. The public sector in the modern state of Israel also exercises the mutual responsibility principle by adopting a no-firing policy and investment directed by national needs and not by profit expectations.

In the early days the Mutual Responsibility referred mainly to providing all the Kibbutz members' needs. While there is no legal definition of Total Mutual Responsibility it is obvious that this principle go hand in hand with the definition of needs in the Kibbutz which became quite complex in times of prosperity. The attitude towards the principle of Mutual Responsibility is varied from the claim "if we give up the Total Mutual Responsibility we will not be a Kibbutz any more" to a more modern attitude of Limited Mutual Responsibility. It is interesting to note that both statements were made in the somewhat conservative Maanit and the very advanced Sdot Yam. In both places the principle was tested and it seems that in both places the material help as well as the emotional support were commended by the interviewees. In both cases there were no problems with the limits of the principle. In Yavne culture was recognised as a need and is mostly financed by the Kibbutz. The impression is that where the money is plenty it is easier to finance some activities for members rather than deal with the question of the boundaries of the Total Mutual Responsibility principle.

The tendency to limit the Mutual Responsibility to Health, Education, Culture and Retirement is strongly based on the welfare law of Israel which guarantees the basics of these to all its citizens. There is a tendency to protect the sensitive item of pension by investing in external independent pension plans and not to trust the Kibbutz covenant in this item. There is almost no argument about the items described above and in these item the Mutual Responsibility is unlimited. There is a tendency to limit the Mutual Responsibility to the above mentioned items. While this does not seem to make much difference, since until not long ago the total and unlimited mutual responsibility did not include, in practice, much more than what the proposed limited mutual responsibility

offers, it is becoming important with the ownership of private property and higher independence both financially and legally. The more important is the change of concept. The modern Kibbutz goes in the direction of limiting the Mutual Responsibility among its members. During the financial crisis of the Kibbutz movement an agreement was made, in which the wealthier Kibbutzim bought their freedom from the mutual responsibility obligations and the mutual responsibility among Kibbutzim was officially dropped. From a movement with mutual responsibility among the member communities, similar to that of Mondragon (chapter 10.1) the Kibbutz movement turned to a federation of communities with mutual interests.

**Summary:** Contrary to the two previous principles, the Mutual Responsibility is changed only a little in practice but the principle itself is questioned. While Total Mutual Responsibility is still practised and the limited mutual responsibility which is favoured by some is quite comprehensive, there is a tendency towards a shift which goes hand in hand with other changes n the Kibbutz. The principle of 'Total Mutual Responsibility' will, therefore, be changed in the new model to 'Limited Mutual Responsibility', though the boundaries and limitations are not clear and so far the mutual responsibility in practice proved to be quite inclusive.

#### 14.1.1.4 Equal Opportunities

The principle of Equal Opportunities is derived from the egalitarian nature of the Kibbutz. In the early days scarcity made the choice between types of equality immaterial. Later an interpretation of equality was needed. As the Kibbutz went higher in the hierarchy of needs (Maslow) the term equality was more subject to interpretations. While a certain level of equal opportunities is provided by the state of Israel (chapter 4.3) the Kibbutz wanted a higher level of equality. Since the Kibbutz is committed to provide all its members' needs, this practical principles relates mainly to work and education. Traditionally all types of work in the Kibbutz bear the same value. All people have identical opening status as far as the eligibility to occupy key positions and the right to participate in the decision making process. The practical principle of Equal Opportunities is a derivative of the Equality basic value. In the modern Kibbutz equal opportunity

becomes the more common interpretation of this basic value against equal standard of living which was the prevailing interpretation in the traditional Kibbutz. This practical principle is addressed by the fourth hypothesis which addresses the rotation principle. It is also addressed indirectly by the first hypothesis addressing the education issue which is indirectly relevant to the Equal Opportunities principle. The third hypothesis addresses the 'needs' issue which is related to the Equal Opportunities principle. This hypothesis assumes expansion of the term 'need' in the Kibbutz.

In the early days giving all members of the Kibbutz equal opportunities had the narrow aspect of the equal opportunity to vote and to be elected and the wider aspect of having the same education, or at least the eligibility for the same level of education. All Kibbutz children received the same education. Higher education was not recognised as a need and was considered as a privilege, unless served some need of the community.

While this principle was obvious and unquestionable in the traditional Kibbutz, with the strengthening of the family (first hypothesis, first sub-hypothesis) and with the variation in standard of living due to different way of using the increased personal budget (first hypothesis, second sub-hypothesis) the equal opportunities principle became more important and more difficult to follow. Equal opportunity to consume (Maanit and Amiad, chapter 12.2) which is kept by the equal budget, replaces the equality of consumption.

**Summary:** The general impression is that this principle is not on the agenda of the Kibbutz movement and it is perceived rather as the boundary of equality. While the practical fulfilment of this principle has significantly changed from almost totally irrelevant to highly relevant in certain areas, there is no significant change in the principle itself. It will, therefore, appear in the new model unchanged.

#### 14.1.1.5 Informality

The informality nature of the Kibbutz is addressed by the fourth which assumes the introduction of hierarchy into the Kibbutz organisational structure. The third hypothesis,

is indirectly relevant to this issue by assuming higher prestige to managerial and administrative positions.

the informality in the Kibbutz is expressed in a total lack of formal organisation. There is no formal hierarchy and there is no formal legal definitions of any kind of relationship between the Kibbutz and its members or among the members themselves. The Kibbutz does not have any formal power to force any decision on its members, other than the decision to expel a member from the Kibbutz (chapter 11). Informality is also typical to the personal relationships among members. Public and managerial positions were done by many people on rotation basis and no social distance exists between workers and managers in agriculture or later in industry. Informal dress is very common among Kibbutz members even out of the Kibbutz. The attitude to formal titles and even formal education was unappreciative and only lately this attitude is changing. As far as education is concerned, the Kibbutz provided and acquired only the education needed for its operation. Formal education beyond the needs of the community was not encouraged. The needed education was not necessarily acquired in formal academic institutes and the Kibbutz movement developed its own courses specifically aimed at providing the special needs. Informality was extended beyond the Kibbutz boundaries and influenced the rest of the Israeli society, including the civil service, in a way of very loose monitoring and supervision and informal handshake-based agreements which, in time, proved inadequate.

Informal type of management in Jewish organisation can be found much earlier than the Kibbutz. In the Biblical period in the period of the Judges, prior to the Monarchy, in cases of a national crisis, usually a problem from the outside, an informal leader, used to be called a judge, was applied for the specific purpose of solving the problem. This was carried out on totally informal basis and the leader would go back to his normal life after a solution of the problem was achieved (chapter 5.2).

In all five Kibbutzim in the research formality began with the establishment of personal external pension funds. It seems that one of the lessons from the experience of the

financial crisis was not to leave the retirement benefit to an unwritten covenant and to the uncertainty of the future economic condition of the Kibbutz. Allowing ownership of private cars first presented the complexity of the Kibbutz member as a legal entity. Registering the houses or any kind of real estate in the name of Kibbutz members (as in the case of Sdot Yam, chapter 12.2) further address this issue.

**Summary:** The informal nature of the Kibbutz is changing from an ideological unwritten covenant to a near legal contract in order to accommodate the more independent household and to give legal meaning to previously in formal arrangements. The Informality principle, therefore, will appear in the new model as 'Formal Contract'

### 14.1.2 Division of Labour

The Kibbutz was founded in an era in which the Bureaucratic school was already well established (chapter 8.1). The development of the Management Science, however, did not penetrate to the Kibbutz until much later and the Kibbutz kept its distance from the bureaucratic organisation (chapter 11). These worldly developments reached the Kibbutz only when it turned to an open system and came under the influences of the urban environment. The whole concept of work was perceived in the Kibbutz differently from most other organisations. This difference led to the second hypothesis which addresses the metaphysical value of work.

#### 14.1.2.1 No Hierarchy

This practical principle goes hand in hand with the principle of Informality. The same value is attributed to all types of work and there is no manager in the sense known in the urban economy (chapter 4.3). The change in the principle of no hierarchy is addressed directly by the fourth hypothesis assuming the introduction of hierarchy to the Kibbutz. It is also addressed indirectly by the same hypothesis assuming a diminishing participation rate in General Assembly meetings leaving decisions to few active members or to the committees.

Historically, the first hierarchical structure of the Jewish people was that of the family and the tribe. The wider hierarchical structure was introduced by Moses for legal purposes. A hierarchical Government was introduced only by the monarchy (chapter 7.1). Hierarchy in the Jewish people was never highly developed. Hierarchy in the western world was developed in the Catholic church and in different military organisations. The Jewish people does not have a church and its religious structure is totally non hierarchical (chapter 5.1) and no significant military activity can be observed for 1,800 years preceding the foundation of the Kibbutz movement.

the role of the manager was perceived by the Administrative school (Fayol) as a decision maker and problem solver (chapter 8.1). In the Kibbutz these tasks were taken by the General Assembly or by elected committees, leaving the 'managers' the task of administration and co-ordination. The loose structure of the Kibbutz did not agree with the strict hierarchy of the Bureaucratic model (chapter 8.1.1) and was closer to Tofler's futuristic 'loose' hierarchy (chapter 8.1.2).

Initially the Kibbutz had a totally non hierarchical structure. It was a place for primal managers who operated out of the hierarchy and did not need a hierarchy to gain authority (chapter 8.1.3). To an extent the Kibbutz resembled Mondragon. But while Mondragon is a one class organisation with salary differential (chapter 10.1), the Kibbutz kept the remuneration identical to all as well. Each position bore the same economic value and the same prestige (third hypothesis fourth sub-hypothesis). For administrative and operative purposes there was a very loose hierarchy which referred mainly to information lines. The rotation principle (fourth hypothesis, second sub-hypothesis) was kept and eliminated the possibility of permanent hierarchy (chapter 11.2). The Kibbutz in its traditional structure suited the one class, non hierarchical Jewish society (Arlossoroff, chapter 6.3.1).

The non hierarchical structure of the Kibbutz is embedded in the culture of the Kibbutz (chapter 9) and changing it means a change of culture. Introduction of industry forced

the Kibbutz to face hierarchical management since all attempts to adapt the democratic management of the Kibbutz to industry failed (DR from Cabri in chapter 12.2).

In Yavne management is presented as 'division of labour' rather than differentiation of managers and non managers. However, operative decisions are made by managers. In Sdot Yam it was admitted that some hierarchy does exist in several economic branches. Maanit was more clear about it saying that no hierarchy exists in agriculture but it does exist in industry. In Amiad some Ad-Hoc hierarchy in economic operations was indicated. Cabri introduced some hierarchy to the decision making process. All five Kibbutzim claimed that no hierarchy exists in the social structure of the Kibbutz and no material remuneration accompanies any of the managerial or public positions.

With the introduction of hierarchy and abandoning the rotation principle (fourth hypothesis, second sub-hypothesis) the Kibbutz experienced the formation of a group of professional managers. A hierarchy of authority is beginning to form.

**Summary:** Though the hierarchy is strictly constrained to the position and, as stated before, there is no social difference between workers and managers, there is a formal hierarchy in the professional sense. There are decision makers and there are professional decisions which are made by managers and workers have to follow. This type of management introduces hierarchy to the Kibbutz and change the 'no hierarchy' principle. The 'no hierarchy' principle will appear in the new model as 'professional hierarchy'.

#### 14.1.2.2 Rotation

The rotation principle is directly addressed by the fourth. The Rotation principle is derived from the basic value of Equality. Its purpose is to eliminate the accumulation of power by individuals occupying powerful position for a long time, and to give more people the opportunity to share the burden of public positions and the non material benefits of managerial positions (chapter 11.2).

Rotating managerial positions is not mentioned in any of the reviewed organisational theories. Mondragon, which exercises democratic management and managers are elected for periods of four years, also does not exercise rotation in managerial or any other positions (10.1.2).

While in all cases public positions were perceived as a burden, the attitude to managerial position has changed. Public positions in all Kibbutzim are generally subject to rotation. So were the positions of co-ordinators of economic branches. This dose not mean that all the people will hold all the positions. Professional managers is a term which was not in use in the pure agricultural period of the Kibbutz. In all Kibbutzim it was mentioned that people understood the disadvantages of rotation and transfer people to a new position after specialising in their own position. There were, however people who favoured some kind of rotation claiming that it is healthy to change management styles. On the other hand there are voices saying that High-tech industry contradicts the Rotation principle since management continuity is essential and introduction of High-tech industry into the Kibbutz will be successful only if this principle is waived.

All five Kibbutzim gave the impression that braking the rotation principle is not really an issue and the extent of keeping or breaking the principle does not really matter. People understood the damage the rotation is doing to management continuity and the rotation is abandoned very easily when needed. All Kibbutzim exercise rotation of service duty such as serving in the dining hall. All public positions including the economic co-ordinator is rotated as a matter of principle (chapter 13.4). There is no rotation of professional jobs and managerial jobs in industry in any of the Kibbutzim with the exception of Amiad. In Amiad rotation is kept even in the position of the factory manager but not as a principle.

**Summary:** It is generally agreed that the rotation principle lost its place in the Kibbutz structure. The principle is generally kept for public positions, however, it does not serve the same purpose and today it comes to provide people for the position and not to take them off the position. In economic branches, especially in industry, there is a process of

professional specialisation which includes management. The Rotation principle will, therefore, appear in the new model as specialisation.

#### 14.1.2.3 Full Employment

The full employment principle is indirectly addressed by the third assuming a shift in investment from only productive, manufacturing areas towards maximising profits. It is also addressed by the second hypothesis which assumes that profit is more important that independence. The connection of these hypothesis to the full employment principle is through the shift in the importance of work. Work was a value and therefore every member had the right to work. When the value is in the profit and not in the work itself the Kibbutz member should be profitable and work in itself is only the vehicle.

The traditional Kibbutz is committed to provide all its members with a place to work (chapter 4.3). The first Kibbutzim, as well as the first other communes in Israel had difficulties in the early days to find work for all members. In some cases people had to find jobs out of the Kibbutz. Maanit, in its early days, turned to industry in order to provide work for its members (chapter 13.3). many years later many other Kibbutzim turned to industry in order to provide work for the elderly (13.1).

The concept of full employment is the basis of all welfare state. Every welfare state sees an obligation in providing jobs for the whole population. In the western world unemployment is a measure for the strength of the economy of the country and for the success of its government. However, this concept differs from that of the Kibbutz in the attitude to work. The welfare state aspires to provide jobs for the people in order to let them make a living. The essence of the trade unions is to guarantee fair wage and secure jobs. The Israeli public service, in practice, maintain a guaranteed employment until retirement. Japanese firms guarantee life employment to some of the workers in order to gain their loyalty. Some American companies (IBM, HP an others) while not guarantee the job, have a no redundancy policy in order to gain workers satisfaction and loyalty.

The Kibbutz ideology perceived work is a value, therefore working is a privilege which the Kibbutz has to provide its members. In the modern Kibbutz work is a vehicle to generate income. The Kibbutz may have to provide its members with the opportunity to generate income and it is the duty of the Kibbutz member to generate the income. From here the way is short to valuing work by the income it is generating and the preferences of one job over another. In Cabri the members are free to look for a job anywhere within the Kibbutz or out, as long as he generates a minimum income. This change goes hand in hand with the individual desire for more fulfilling jobs. Kibbutzim had to provide more diversified work opportunity or to allow the members to work out of the Kibbutz. Cabri recognised the need of the members to be competitive in the outside job market. Cabri guarantees only routine jobs in the factory for members who cannot find other jobs. There is no guarantee for a fulfilling job (13.1). Yet, all Kibbutzim reported some hidden unemployment, which means that the Kibbutz gives people jobs even when there seems not to be enough work.

All Kibbutzim reported some hidden unemployment. We can gather from this statement that the Kibbutz does provide its members with jobs (otherwise there was open unemployment), though in Amiad there was a complaint that not enough is done to provide work for the members (13.2). In Maanit there is no guarantee of full employment, though standard of living is totally independent of work (13.3). In Cabri members who do not have a job are expected to find one. If they don't they have to work in the factory (13.1).

**Summary:** The Kibbutz changed its attitude to work. In many cases the member has to find a job in or out of the Kibbutz. The Kibbutz may offer him a position but no job satisfaction is guaranteed. The Full Employment principle will appear in the new model as 'Conditional Employment'.

#### 14.1.2.4 Voluntarism

No hypothesis directly addresses the principle of voluntarism in the Kibbutz. However, changes in this practical principle are reflected in the introduction of hierarchy (fourth

hypothesis) and in the general position of the Kibbutz member in the Kibbutz, which is also addressed indirectly by the same hypothesis, and by the strengthening of the family as a formal body (first hypothesis).

The Kibbutz founders rejected Hegel's theory that the enforcing power of the community is legitimate and accepted Marx's theory that any governmental force is a brutal force (chapter 6.1). The Kibbutz, therefore, gave up all means of enforcing the community rules and decisions and the only power of enforcing the community decisions on the individual are the informal discipline and the pressure of the public opinion. This arrangement resembles that of the Jewish communities all over the world. Jewish communities were organised in a voluntary structure with voluntary discipline (chapter 5.2) In the last two thousands years Jewish communities kept voluntary judicial emancipation based on total voluntary consent to obey this system and not to use the official legal system of the host community (chapter 7.2). The Kibbutz did, however, expect its members to obey the needs of the community and to forgo all personal desires which do not coincide with the needs of the community such as higher education, hobbies and in the early days even family. Reality however, as described in chapter 4.2, began to change very quickly.

The Kibbutz founders agreed with Marx that any "governmental" enforcing power is a brutal power. The Kibbutz, therefore, gave up any means of enforcing a certain behaviour of its members. The Kibbutz founders did, however, expect the members to give up their freedom of choice for the benefit of the community in every aspect. The Kibbutz was a voluntary community, but once the member decided to join he was expected to volunteer his freedom of choice of occupation, standard of living etc. The Kibbutz, from its inception, is a voluntary community (chapter 4). Voluntarism is the main element of freedom in the traditional Kibbutz. A Kibbutz member is free to leave the Kibbutz and bears no obligation of a minimum period of work, but as a Kibbutz member he sacrifice many aspects of his freedom for the interests of the community (chapters 4.3 and 11.2).

The voluntary element is reflected not only in the nature of the ties within the community but also in the relationship of the Kibbutz to its host environment. The traditional Kibbutz promoted volunteering to national missions such as military service and political and other public duties. Volunteering to public and national missions is embedded in the education of Kibbutz youths in third year service and in volunteering to extended military service and public offices. (chapter 4.3).

The whole Zionist movement was influenced by the voluntarism principle of the Kibbutz. Volunteering for national service in national projects became very popular with the youth of Israel until not long ago. Special military commando units in the Israeli defence forces were based on volunteers and brought prestige which lasted long beyond the army service. People pursued political activity not as a career but rather as a way to help the public.

with the changing work structure in the Kibbutz and the decrease of the communality the Kibbutz is changing from a voluntary ideological community to a formal organisation from an agreed ideological covenant to a contract like relationship (chapter 13.1). In some cases I heard expression such as "we do not want to carry the lazy people any more" and called for some formal means to enforce working or to tie remuneration to contribution. The formal standing of the Kibbutz member as an owner of property (see earlier this chapter) means some kind of legal standing and voluntary membership may prove not adequate.

**Summary:** The Kibbutz is changing from a voluntary ideological affiliation to a contract like agreement with agreed rights and duties. While this process has not reached practical stages yet it is clear that relying on voluntary enforcing power is no solution for modern problems. This practical principle will be changed in the new model to 'formal contract'.

#### 14.1.2.5 Closed Shop

This practical principle is addressed indirectly by the first assuming influence of the urban environment, and the third sub-hypothesis assuming higher level of education.

The traditional Kibbutz was an almost closed shop. No hired labour was permitted, since any employment was considered exploitation. People were not expected to work as employees out of the Kibbutz with the exception of extreme cases and no real interaction occurred between the Kibbutz member and the outside (chapters 11.2; 8.1; 4.3). A closed system can be seen, to a certain extent in Mondragon which exercises economic closed system with no outside funds and no hired labour (chapter 10.1) and the Jewish communities of Eastern Europe which were closed social systems which even maintained their own voluntary judicial system (chapter 7.2). Non of the above, though, was both economic and social closed system the way the traditional Kibbutz used to be.

The first pressure to open the Kibbutz system was external and came from the Israeli government which needed jobs for hundreds of thousands immigrant that came to Israel from eastern Europe and the Arab countries (chapter 11.2). Introduction of industry and advancing technology opened the Kibbutz to the environment. As an open system the Kibbutz in seeking its equilibrium with the environment in order to survive. Analysing the Kibbutz according to Bion's theory we can see that the Kibbutz is changing from an effective group to an ineffective group and is trying to control its interaction with the environment and reach a higher level of existence. Having the Cybernetic model in mind we can see that the Kibbutz is taking information from its environment, which according to the theory is a condition for growth.

The conservative Yavne still maintains some of the characteristics of the closed system. Very few members work out of Yavne and there are not many hired workers. Most contacts with the environment is carried out by the secretary and a member can live full life without any contacts with the outside world (chapter 13.5). In all other Kibbutzim the term 'outside worker' is very common. Working out of the Kibbutz is perceived as a solution to the problem of not having adequate jobs for all members. Services are sold inside the Kibbutz and out and ventures with outside non Kibbutz partners is very common. Cabri goes further with interaction with the environment by considering the outside environment as its field for hiring people for managerial and professional jobs and

services from outside the Kibbutz can compete with services of the Kibbutz (chapter 13.1).

**Summary:** The Kibbutz is turning to an open system. Kibbutz members have individual connections with the urban environment through family support, work, entertainment and other channels. In many activities Kibbutz member consider the outside environment as their field and not only the immediate environment within the Kibbutz boundaries. This change, according to several theories, is essential for the survival of the Kibbutz. This practical principle will, therefore, be changed to 'open system'.

### 14.1.3 Economy

The third area represented by the Kibbutz Tree Model is the Kibbutz economy. Since the Kibbutz is an organisation which combines the economy with the community it is expected to find expressions of the Kibbutz domestic culture under the title of Kibbutz economy. The economy of the Kibbutz became more important with the reduction in the ideology of the Kibbutz mission. For this reason the Kibbutz economy is addressed by all four hypotheses. Even the non economic changes in the Kibbutz have significant influence on the Kibbutz economy. The first hypothesis, which is social in its nature has most significant influence on the economic structure of the Kibbutz. The second hypothesis, which addresses a purely cultural, metaphysical issue has to be measured by economic terms (all three sub-hypotheses). The third hypothesis is in itself purely economic. The fourth hypothesis is the only one which is only indirectly related to the economy of the Kibbutz.

#### 14.1.3.1 No Economic Remuneration

This principle is indirectly addressed by several sub-hypotheses. The first two sub-hypotheses of the first hypothesis raise the possibility of higher independence of the family. This independence may include linking the remuneration to the individual's contribution to the Kibbutz. Any discussion of urban influence on Kibbutz members is also relevant to this principle.

The 'no economic remuneration' principle sees no connection between the contribution of the Kibbutz member to his ability to consume. The Kibbutz member is expected to contribute as much as he can and consume as much as he needs with no connection between the two (chapters 11.1 and 4.3).

The no economic remuneration principle is not very common in organisations and goes hand in hand with the total mutual responsibility principle. There are theories which promote non economic remuneration as motivators. The Administrative school counts prestige and status as motivators next to the material rewards. Still Fayol sees economy remuneration as the main motivator for managers (8.1). Herzberg counts salary as one of the hygienic needs of the worker (chapter 8.1). It is true that Herzberg may not have considered a total mutual responsibility community. The Japanese method is coming closer to the Kibbutz no remuneration principle than any of the modern economic methods. No material reward is given for performance. Remuneration depends on education and seniority. Performance rewards are not material (chapter 9.1). Mondragon is also different from the western world by having fixed differential wages in three fairly close levels (chapter 10.1). The salary system in Israel was, until not long ago, influenced by the no remuneration principle. Salary scale was very short and differences between the lower level workers to the managers were very low. This, however, has changed drastically during in recent years. People were expected to be content with rewards such as 'the good employee award' and other non material rewards instead of a performance related remuneration.

All five cases reported no economic remuneration in connection to any position. There are some positions, mainly outside the Kibbutz, which carry with them significant fringe benefits such as a car or expense budget. This may be considered the beginning of differential salary. At the present differential salary seems to be far in the future. There is still strong opposition but the issue is on the agenda of all five Kibbutzim. While the older generation oppose it strongly and perceive differential salary as the destruction of the Kibbutz (Sdot Yam, 13.4: Maanit, 13.3 and Yavne, 13.5), the young generation look at the possibility of having differential salary quite favourably (Sdot Yam, 13.4 and

Amiad, 13.2). The possibility of having rich Kibbutz members and poor Kibbutz members created a lot of antagonism among the interviewees (Cabri, 13.1 and Yavne, 13.5).

In spite of the opposition there are places in which a possibility to increase the personal budget is planned (Cabri, 13.1). The Kibbutz is trying to solve the problem of the lower end and make sure that there will not be poor Kibbutz members. Beyond that the possibility to increase the personal budget is not so far. This principle is changed in the new model, therefore, to 'differential remuneration'. I find in necessary to point out that in this case the new model describes a tendency and not an existing situation.

#### 14.1.3.2 Common Treasury

While this is an economic concept, in the Kibbutz where economy and community are inseparable it affects private life as well as the economy and administration. The private/household aspect concept is refereed to in the first hypothesis assuming higher power and independence to the family over the commune. The public aspect of this principle is addressed by the third hypothesis through the first and second sub-hypotheses assuming a shift in financial and human resources and an investment shift.

The common treasury concept is based on the desire for total equality and partnership. No private property was allowed and the central treasury took care of all the members' needs (chapter 11.2). The Bilu commune (chapter 10.3) and the Labour Legion had common treasury for the same reason and so did the Hadera Commune (chapter 4.3). The non socialist Herzl (chapter 6.3) also planned the Zionist state with a central treasury which will take care of welfare issues.

The common treasury principle dictated an economic concept (chapter 4.3). In practice it meant that there was no accurate way to check the feasibility of one economic activity or one economic branch. All services were provided centrally, including tractors and labour. As long as profitability of economic ventures was of secondary importance the common

treasury principle was intact. With the desire for more accurate financial control the principle became inadequate.

All five Kibbutzim separated the pension programmes from the Kibbutz treasury. In Yavne some of the investments are independent of the Kibbutz treasury (mainly members' German compensation money). All other Kibbutzim are in different stages of breaking the common treasury principle. In Cabri there is no central treasury and the Kibbutz controller can not take money from the factory to pay the Kibbutz dues. Ventures are managed as profit centres. The centres have their own budget and some of them have their own treasury (chapter 13.1). Amiad separated the economic budget from the operating budget not long ago. Each economic venture is carefully monitored and should stay within its budget. The treasury, however, is still common to the whole Kibbutz. Maanit has separate treasury for the factory which is totally independent from the Kibbutz (chapter 13.3).

**Summary:** Since the mid eighties the Kibbutz became aware of the need to be profitable. With profitability taking an important place in the economy of the Kibbutz the structure of the Kibbutz follows in order to enable accurate monitoring of each activity. The common treasury principle is changed, therefore, in the new model to 'profit centres'.

### 14.1.3.3 Total Partnership (Common Ownership of All Property)

This practical principle has both a public and an individual aspects. The individual aspect is addressed by the first hypothesis assuming increased family power including ownership of property and individual acquisition of knowledge assets. The public aspect is addressed by the fourth hypothesis through the first sub-hypothesis which indirectly assumes more independence to Kibbutz businesses.

The Kibbutz is a free association of people based on common ownership of property (chapter 11). The whole Kibbutz is owned by all its member and is indivisible. Private property of any kind was forbidden in the traditional Kibbutz. Common ownership of

assets is one of the elements the Kibbutz is based on (chapter 4; 4.3). All assets are commonly owned. This is a socio-economic concept which is the basis for communal life. Unlike Mondragon, which is owned by the workers (chapter 11.2), the partnership in the Kibbutz expands to the community as well and includes the non productive assets as well. Some American companies exercise workers partnership of production means. But this is done in order to increase motivation (chapter 11.2), while the Kibbutz and Mondragon perceive partnership as a condition for social justice. The first communes in America were forced to become total partnerships by the British settlers (chapter 11.2), while in other cases the partnership was based on religious faith. The first communes in Israel also exercised total partnership, among them the BILU commune, The Labour Legion and the Hadera Commune (chapter 10.1).

Arlosoroff took the Partnership principle to the national level and said that the most important element in the socialist Jewish state is the public ownership of the land (chapter 6.3). Indeed, until today most of the land in Israel is owned by the government and is leased to the users. All natural resources in Israel are also owned by the government regardless of the owner of the land they are to be found. (this rule does not raise any problem since Israel is very poor in natural resources).

Yavne still shows high level of partnership but in spite of the claim that partnership serves the religious existence confidence in the ideology behind it is eroding (chapter 13.5). Sdot-Yam went quite far in breaking the total; partnership. Private cars are permitted and there are voices for registering the houses as private property. Common ownership of the production means is still considered a principle (chapter 13.4) and in Cabri I heard the expression "partnership haters" (chapter 13.1). In Maanit public ownership of the production means is the red line and in general the people want to keep Maanit as a partnership since partnership guarantees the equality (chapter 13.3). Amiad, which is in a process of reducing the partnership, will probably maintain partnership of all assets (chapter 13.2).

#### 14.1.3.4 Puritan rural lifestyle

The Kibbutz founders were connected to the Biblical Jew and ignored the two thousands years of Diaspora. The first connection of the Jewish people to the land was created with the conquest of Canaan land after the forty years of wandering in the desert (chapter 7.1).

This practical principle is directly addressed by the first hypothesis in the second sub-hypothesis, which assumes increase in standard of living. It is also addressed by the second hypothesis in all the sub-hypotheses and by the third hypothesis in all sub-hypotheses.

The Kibbutz was defined by its founders as a rural, agricultural, working settlement (chapter 4, opening and 4.3). The puritan rural lifestyle adopted by the Kibbutz founders was dictated both by necessity and by ideology. Even Herzl, the non socialist preached for ostentatious lifestyle (chapter 6.3) and the radical socialist Arlosoroff said, in the spirit of the traditional Kibbutz, that the connection with the land should come through 'working the land'.

**Summary:** It is clear that the total partnership lost its appeal and that there is a process of change in this practical principle. The partnership, however, is still important in the Kibbutz. This principle is changed, therefore, to 'Limited Partnership'.

### 14.2 Basic Values

Four basic values are represented in the Kibbutz Tree Model. There are two derivatives of Judaism: Jewish tradition and Zionism, and two derivatives of Socialism: Equality and Communality. The derivatives of Judaism are not in the mainstream of this research and therefore are not addressed by any of the hypotheses. They were brought up because they are part of the Kibbutz culture and are only briefly discussed. The two derivatives of Socialism are more widely discussed and the changes in them are more significant to this research. While the change in the practical principles could be measured by observing the actual life in the five researched Kibbutzim, changes in the basic values is more a matter

of interpretation. Interpretation of the changes observed in the practical principles, and interpretation of the views of Kibbutz members as expressed in the interviews.

### 14.2.1 Jewish Tradition

The Kibbutz brings a new interpretation of Jewish life. The Kibbutz built its own Jewish tradition which is more tied to the land and to the ancient Israel than to the near past of Judaism (chapter 4.3). The Jewish tradition in the Kibbutzim of this research has not changed much from the traditional Kibbutz interpretation of Jewish way of life. With the exception of the religious Yavne, all other four Kibbutzim exercise the traditional secular interpretation of Judaism. A 'Bar-Mitzvah' celebration in Amiad and Sdot Yam had a strong Israeli secular emphasis (chapters 13.2 and 13.4). The children celebrated their going out of childhood to adulthood, or in the religious expression entering the era of being subject to rules, which is the religious essence of this celebration. The main change in religious rituals is the ceremony of the Sabbath which took place every Friday night in the dining hall and included blessings of the Sabbath, some traditional songs and a festive meal. Since many families do not go to the dining hall in the evening this tradition is disappearing slowly. In religious Kibbutzim the family keeps this tradition in the private home. In the non religious Kibbutzim the Friday evening dinner is loosing its religious flavor.

The Kibbutz family is now closer, in its religious rituals, to the Israeli secular urban family. In the new model I chose to combine the two derivatives of Judaism to one basic value, as explained in the next chapter.

### 14.2.2 Zionism

Zionism is one of the basic value of the Kibbutz movement from its inception. Zionism is expressed in the commitment of the Kibbutz movement to contribute to the strength and welfare of the state of Israel (chapter 4.3) and in its impact on the Israeli society (chapter 4.1). The founders of the Kibbutz defined the revival, and later the survival, of the state of Israel as one of the movement's missions. Chapter 6.3 details the strong connections between Socialism and Zionism. It also describes the development of the Zionist

Socialism, which evolved from the Jewish socialist movements in Russia. The Kibbutz movement shares the perception of Herzl, the visionary of Zionism, in spite of the fact that Herzl did not promote the idea of a socialist state in line with the Russian Socialism of which the Kibbutz grew up from. However, the socialist nature of the Kibbutz agreed with most Zionist ideologists as Syrkin, Borochov, Gordon and Arlosoroff (chapter 6.3).

The completion of the initial stage of the Zionist dream, with the establishment of the independent state of Israel, left the Kibbutz deprived of one of the major flags it carried. In spite of some attempts by the national Kibbutz movement to run some pure 'Zionistic' projects, the old Zionism is dying in the Kibbutz. Here the Kibbutz follows the change common to the rest of the state of Israel. Only two of the five Kibbutzim participate in 'first home' which is a Zionist operation in its old meaning. The power of the whole Kibbutz movement to raise significant projects is negligible today. The Kibbutzim will, however, be a strong element in the new Zionism which is based on solid productive and efficient economy with good and widespread education and loyalty to state of Israel.

The expansion of the state of Israel, reducing the relative part of the Kibbutz population in it, eliminated the possibility for the Kibbutz movement to be a major influential factor and contributor in politics or any other public activity. With the state financing the education system, which is basically secular Jewish in its nature, the new secular Jewish approach of the Kibbutz lost its uniqueness. These elements, Zionism and Judaism, have changed in the Kibbutz movement in the direction of the normal secular Jewish Israeli life common to most of the Israeli society. I coined the term 'Israelism' for the new basic value to express the devotion of the Kibbutz movement to the state of Israel as an independent Jewish state without the previous uniqueness it had. The Kibbutz members are Israelis rather than Zionists. They are Jews like most secular Jewish citizens of Israel, or religious in the case of the religious Kibbutz movement, and the uniqueness is lost, nor is it necessary any more in order to preserve the existence of the Kibbutz community or the Israeli community.

**Summary:** The Jewish tradition in the Kibbutz has changed as a result of the other changes in the Kibbutz and not as a result of changing attitude towards Judaism. Zionism, however, has changed the same way it did in the urban environment. The Israeli society turned from a society in formation to an established society and so did the Kibbutz. These two derivatives of Judaism are replaced in the new model with the value of 'Israelism'.

### 14.2.3 Communality

The Communality value is addressed in several of the practical principle of the tree top. The first hypothesis assumes reduction in the communality in the Kibbutz. The third hypothesis assumes a change in the needs provided by the commune to individuals and the fourth hypothesis assumes changes in the decision making towards the non communal way.

Communality is the Kibbutz way interpretation of partnership which, together with equality, guarantees social justice (chapter 4.3). The Kibbutz is defined as a commune. This definition was reconfirmed several times during the years. The word 'Meshek' (the Hebrew word for farm) used in Kibbutzim as a synonym to 'home' refers to the Kibbutz as a whole including the residential and the economic areas (chapter 11). And indeed, the essence of the total commune is that the social system and the economic system are parts of the same organisation. Organisations combining the social and the economic systems, though not communal, are found in Jewish communities out of Israel and in the Japanese factory (chapter 7). The first Kibbutzim as well as the communes preceding it, were committed to total communality (chapter 4.2). The two basic socialist elements adopted by the Kibbutz are Equality and Partnership. The Kibbutz interpretation of partnership led to a commune. We can safely say that communality is a high level of partnership. Communality is easy to quantify and measure and is less subject to interpretation than equality (chapters 4.3.3 and 4.3.4).

The importance of communality was questioned only recently. Agricultural life, especially in its old primitive form, lent itself easily to the communal way of life. In the

early days of the Kibbutz movement communal life was both a matter of ideology and convenience. The convenience was similar to that of the early American settlers (chapter 9.2) and the first Jewish settlers in Palestine (chapters 6.3 and 9.3). Communalism was perceived as the only way to overcome scarcity and weakness. The ideological side of communalism was based on the belief that communalism will bring remedy to all social illnesses and create a moral and just society. This approach is based on the philosophers J.J. Rousseau and Karl Marx (chapter 6). Rousseau claimed that the main reason for inequality in society is private property. Marx preached to abolish all private property in order to eliminate classes. The elimination of private property should also eliminate the natural conflict within each member of the community between his own interests and the interests of society (chapter 6.1).

Through communalism the Kibbutz managed, so far, to keep itself as a non-selfish classless society within the Israeli society which is a welfare society, but far from being classless and non-selfish. The difference between the communality in the Kibbutz and the American communes is that the Kibbutz commune is not based on any religious belief (even the religious Kibbutz does not perceive the commune as part of the religion). Neither did it adopt communality as a measure for hard time with the intention of abandoning the commune when conditions improves like some of the early American communes and the Jewish BILU (chapter 10.2).

While communal life was almost obvious in a primitive agrarian community it is not so in a technically advanced industrial society. Mondragon, which is a technically advanced industrial community adopted the so-operative way of life but differs from the Kibbutz in not having total mutual responsibility and in limiting the partnership to the means of production only (chapter 10.1).

In analyzing the interviews and sorting the issues most spoken about the issue of communality takes an important place on the agenda of all five Kibbutzim. The more advanced the Kibbutz is the highest the communality is on the agenda. It seems that each step away from communality is made after long habitation and each change leaves after it

long discussions. The conservative Yavne and Amiad are less busy with the issue of communalism than the more advanced Cabri and Sdot-Yam.

All five cases showed significant reduction in communality during the years of their existence. The religious Yavne is slightly different in that it has an ideology which is superior to the socialist ideology. Yavne was never extreme in its communality and is not extreme in abandoning it. Some claim that the desire for wholeness of religious life drove to communal life, since religion promotes the attitude of 'give as much as you can and take as much as you need' (chapter 13.5). Sdot Yam, on the other hand, went quite far away from the commune. The family became the central unit of life. People are eating at home in many cases and there is official private property. While the older generation sees communality as a value it seems that the young generation welcomes any tendency to narrow its boundaries (chapter 13.4). The left wing Maanit also presented reduction of the commune. In some cases the commune failed to act as a family and while communality seems to hold its value standing it was considered use less in a situation of diminishing equality (chapter 13.3). Amiad is in the middle of a process of change in which the family is gaining strength. The dining hall is closed on Friday nights and the freedom of the individual is considered of utmost importance (chapter 13.2). Cabri, like Amiad, considered the freedom of the individual as the most important. Family ties across the Kibbutz boundaries reduce the communality which is kept to common ownership of assets (chapter 13.1).

**Summary:** The basis of social justice, is differently interpreted in different socialist societies. The Kibbutz traditional interpretation led to the formation of the total commune (chapter 4.3). It is clear that there is a process of erosion of the communality. This erosion is limited, so far, to the social part of the Kibbutz. This erosion is demonstrated by the changes in the practical principles. While the decision making process is generally unchanged and the organization keeps its natural s a partnership, the introduction of hierarchy, the limited mutual responsibility and the more formal relationships are pointing at a reduction in the level of partnership. The changes in the economic structure also pointing at a more clearly limited partnership with public

ownership of production means only and a tendency towards differential salary. The value of Communality is changed in the new model to 'Partnership' which indicates the importance of partnership as a value but not as tight as a commune.

### 14.2.4 Equality

The Kibbutz is a community which is based on total equality (unlike some religious communes such as monasteries which are not based on equality) in production, consumption and education. Equality is a value driven by the search for social justice (chapter 4). Different societies interpret equality in different ways. Chapter 4 counts several interpretation of equality which have different expression in life style. The old interpretation of equality all refer to different kinds of equal consumption or equal results. The modern world presented a new interpretation of equal opportunities. This was developed in America in the time of great development and almost unlimited opportunities. Although the interpretations of equality are many, they all are based on the desire for social justice and the understanding that the community has an obligation to the individual and that that obligation does not favor any individual on another (chapter 8.1).

A tendency towards equality is found in the Bible (chapter 6.2) and in the basis of Zionism (chapter 6.3) The state of Israel, in its declaration of independence, promises equality to all citizens without interpreting the type of equality. The Kibbutz adopted the interpretation of equality by needs, which aims to provide equal provision of needs to all. The nature of need is such that in times of scarcity the needs of all people are almost identical and are merely the bare necessities of life. In times of prosperity needs are very diversified and the equal provision is something which, in itself, needs interpretation. However, the provision of needs in the Kibbutz expects to maintain equal standard of living to all and equality in decision making.

The Marxist formula of 'each according to his ability, to each according to his needs' assumes that if everybody in Utopia will contribute as much as he can, there will be enough to provide everybody's needs. This was assumes in a period very far from

providing even a fraction of everybody's needs. One need of the modern world is in contrast to Marx's formula and that is the need for a fulfilling job (Palgi 1992). In Amiad there has been some reluctance to maintain total equality. Equality, however, is still expressed in maintaining a standard personal budget (chapter 13.2). In Maanit the general opinion is that a minimum of equality should be maintained in order to avoid a 'jungle society'. This minimum is maintained by having a standard personal budget. In both the above cases equality is in consumption and equality is considered important. In the more radical Sdot Yam equality in its traditional interpretation is considered inadequate for the modern world (13.4) and equality is in the process of getting new interpretation. Personal budget is still standard but there is no restriction on outside sources and equality of consumption is not maintained. Yavne has a slightly different attitude to equality, which is religious driven. The belief in the ideal of equality has deteriorated and was even the reason for people to leave the Kibbutz (chapter 13.5). In all five Kibbutzim the change in the attitude to equality was not a deterioration of the value of equality in itself but rather a shift of importance. While in the past the ideal was more equality, even at the expense of the freedom of the individual (the term freedom means freedom of choice of occupation, choice of consumption etc and not freedom in its broad meaning of basic freedom of movement and freedom from slavery etc), then in the modern Kibbutz freedom became more important and when equality contradicted freedom a problem arose.

**Summary:** The ideological triangle, known from the French Revolution, of Freedom Partnership and Equality is interpreted in the traditional Kibbutz to Communality, which is total partnership, Equality in consumption and decision making power, and Freedom to leave the community. As mentioned in chapter 4 these three elements contradict each other. Freedom was, therefore, sacrificed and limited to the freedom of choice to stay or leave. The changes in the Kibbutz ideology only rotated the ideological triangle.

**The Kibbutz Ideological Change**

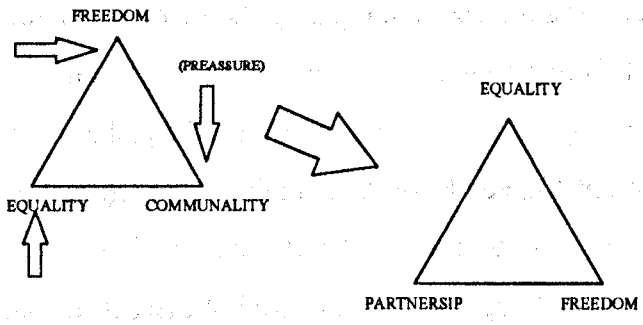



**Figure 14 - 2**

Freedom turned to be the most important item and is changing to abolish all limitation imposed by the community. In the modern Kibbutz Equality is sacrificed and is limited to welfare and equal opportunities and a minimal standard of living. The equality in decision making power kept is for cases of extreme importance. In other cases there is a specialisation of the decision making process and decisions are made by professional bodies and/or by representatives. The partnership is adapted to modern times and is reduced from a commune to partnership in business and extensive public services. Unlike any urban business partnership the partnership in the Kibbutz is kept as partnership of equals. Ownership is equally distributed and can not be changed. The public services are very extensive and Freedom of the individual includes the right for self-fulfilment, choice of occupation and the right of acquiring knowledge. Partnership is still a tool to achieve social justice and is kept to all means of production, community property and all general services. The Kibbutz movement is now struggling to find its way in the new triangle and were to draw the line to the advancing change.

The value of Equality in the trunk of the Tree Model is replaced by the value of Freedom. This change is confirmed by the changes in the top of the Tree Model. While principles such as Limited partnership, differential salary, condition employment and professional hierarchy do not go hand in hand with equality they interfere with freedom less than the principles of the old model.

### 14.3 Roots - Socialism and Judaism

Though social ideas are not strange to Judaism (chapters 6.2; 7.2 and 8.1) the only cases of communes in the Jewish history are small sects, usually in times of war and are too insignificant to be mentioned. The only exceptions are those connected to the Zionist movement (chapter 9.3). Jewish rules, which are of socialist nature, are easy to follow in a communal way of life, but there is no preaching to any kind of partnership beyond sharing some of the wealth with God (taxes) and with the poor (charity).

The Kibbutz Tree Model bases the Kibbutz on Jewish roots. Although social ideas are not strange to Judaism (chapters 6.2; 7.2 and 8.1) the only cases of communes in the Jewish history are small sects, usually in times of war and are too insignificant to be mentioned. The only exceptions are those connected to the Zionist movement (chapter 9.3). Jewish rules, which are of socialist nature, are easy to follow in a communal way of life, but there is no preaching to any kind of partnership beyond sharing some of the wealth with God (taxes) and with the poor (charity).

The Kibbutz grew up from two different roots: Socialism and Judaism (chapters 5 and 6). With all the changes the Kibbutz did not disconnected itself from its sources and it is still fed by a socialist and Jewish soil. All five Kibbutzim in the research exercised a high level of socialism. All changes related to socialism are in the interpretation of the socialist idea and are in the practical level rather than in the ideological level. Through all interviews not even once any kind of opposition to the socialist idea was raised. The connection to Judaism was also found to exist. The "Jewishness" of the Kibbutz is still similar to the Jewishness of the traditional Kibbutz with its secular interpretation of Judaism. The education system, now common to all the state of Israel promotes Judaism

through extensive Jewish studies. Most of the National Holidays are Jewish holidays and are widely accepted by the Kibbutz movement. The only change is in the interpretation of the Zionist aspect of Judaism as expressed in the truck of the Kibbutz Tree Model.

**Kibbutz Movement Roots**

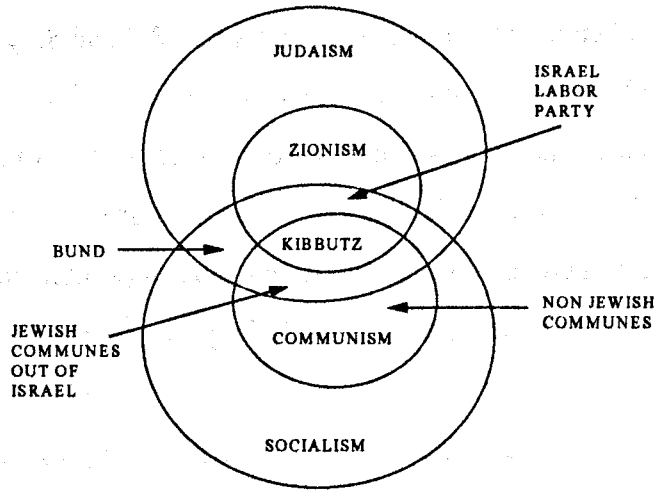



**Figure 14 - 3**

The new basic values of the trunk of the model are also based on Judaism and Socialism. The new Kibbutz however, is significantly different than the traditional one since the changes are as basic as the trunk. It has to be noted that the change in the trunk is an aggregate result of the changes in the top. It is a top down process which is in the opposite direction than the growing of the Kibbutz movement, which was a bottom up process in which the practical principles were dictated by the basic values. This points out the principal difference between the building process and the change process. The building process was based on the root values, with the whole culture being built on top of these values. The change process begins with an existing culture. The changes are not initiated at the level of the root values since they are, in this case, of pragmatic nature. They are initiated at the tree top level and their effects penetrate down to the trunk. In extreme cases (not in the present one) the changes may penetrate as deep as the roots and are expressed in a changing root value.

## 14.4 The New Kibbutz Tree Model

The discussion analyzed the changes in the Kibbutz 'phenomenon' in three related areas. The model of the traditional Kibbutz is not valid any more since it does not describe the Kibbutz accurately. Revising the Kibbutz Tree Model shows that the basic structure of the new Kibbutz still resembles the old one with changes in the Trunk and the Tree Top.

**Modern Kibbutz Tree Model**

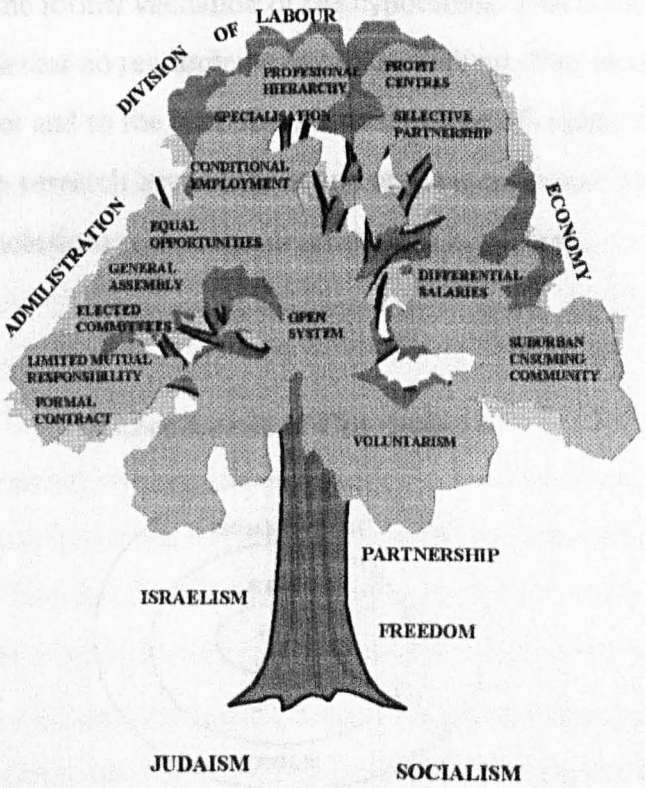



**Figure 14 - 4**

The new model describes the trends of changes. Each one of the five Kibbutzim is in a different stage of the changes. The changes, however, are in the same direction in all five Kibbutzim. The more radical, or may be I should say advanced Cabri and Sdot Yam are more accurately described by this model while the more conservative other three are somewhere between this model and the traditional one. The common to all cases is the direction of the change. The differences are the pace of change. It is expected that the religious Kibbutz will be more conservative and so is the leftist Kibbutz. The rich

Kibbutzim (Yavne and Amiad) solve problems with the power of money. While this actions solve a problem ad-hok it defers the dealing with the principal problem.

## 15. Conclusions

This is the last chapter of this work. It contains the bottom line of the research, namely "what do we make of all this?". The hypotheses are validated in this chapter and it is proved that the Kibbutz society is changing from an ideological movement of agricultural communes to business oriented partnerships connected with each other in a limited way. This chapter draws its conclusions from the analysis that led to the development of the New Kibbutz Tree Model. There are three different levels of conclusions in this chapter. The first level is the formal validation of the hypotheses. This is the proper process of academic research that no research thesis can do without. The second level relates to the Kibbutz movement and to the Kibbutz as a unique type of organisation and brings the conclusions of the research beyond the scope of the hypotheses. The third level highlights the conclusions relevant to organisations in general.

**Three Levels of Conclusions**

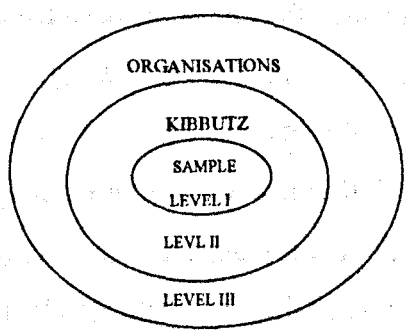



**Figure 15 - 1**

It was the aim of this study to validate hypotheses, nevertheless the material provided some interesting insights about the nature of the cultural in the Kibbutz and cultural change in general. This is the knowledge that feeds the second and third conclusions.

## 15.1 First Level of Conclusions

The first level conclusions are the result of the rigorous process of validating the hypotheses. This chapter addresses the hypotheses directly and is based on the analysis done in the previous chapter.

### 15.1.1 First Hypothesis: Culture - the Material Aspect: Domestic Patterns

The first hypothesis assumed that with the prosperity and industrialization of the Kibbutz the connections with the urban environment are strengthened and the Kibbutz follows the urban industrial society's life style. The hypothesis was broken into three sub-hypotheses:

**15.1.1.1 From Communalism to Family -** The first sub-hypothesis assumed that there is an increase in the autonomy, importance, and strength of the family in the Kibbutz and a parallel erosion of communality.

I looked for areas and functions in which the family replaced the commune. I also looked for services which are still provided by the community but not freely or unconditionally. All five Kibbutzim are in the process of transferring funds and functions from the commune to the family. Though each Kibbutz is in a different stage of the process, there was total agreement that communality is decreasing and the family is becoming stronger and more important in the lives of the individuals. While the older generation perceives communality as a principle and an important tool in achieving equality, the younger generation is willing to trade it for more freedom of choice. In three of the five Kibbutzim there were clear antagonistic expressions against the former level of partnership. In Cabri there were 'partnership haters' which were created by 'too much partnership'. This was also expressed explicitly in Amiad: "I need more space and more freedom" and in Sdot Yam by referring to the prospects of differential salary as 'the light at the end of the tunnel'. Prying deeper into these feelings revealed that in all cases the "partnership haters" saw communality as too much partnership. They were not against the concept of partnership altogether but rather against the tight partnership that communality dictates. Both in Amiad and Maanit people talked about a possibility of a

new type of partnership with limited mutual responsibility and much less communality. In Maanit there were feelings that the Kibbutz failed in its duty as an extended family.

Sdot Yam is the most advanced of the five Kibbutzim in moving from commune to family oriented way of life. The division between personal and public budgets for domestic consumption in Sdot Yam is 50% X 50%, in Cabri it is 30% personal budget and 70% public budget, while in the conservative Yavne it is 15% personal budget and 85% public budget. All five Kibbutzim admit that members own private property out of the Kibbutz and there are no intentions to fight this phenomenon. Sdot Yam went beyond the other Kibbutzim by allowing private property within the Kibbutz such as private cars, and expansion of the family houses. Sdot Yam is unique in considering transferring ownership of the residential houses to the members. Cabri allows the ownership of private cars but ownership of houses is not on the agenda yet. Amiad does not allow any kind of private property within the Kibbutz, but a committee is discussing the 'private cars' issue. The most traditional among the five Kibbutzim are the two opposing ends of the ideological continuum - the leftist Maanit and the religious Yavne. In both Kibbutzim private property is not allowed, though in both Kibbutzim interviewees admitted that de-facto it does exist.

All five Kibbutzim of this study saw family sleeping as natural and interviewees said it is a common habit to eat with the family in the private home. Using the dining hall became a matter of convenience and not a principle. In Amiad the dining hall is closed on Friday night since people tend to have Friday dinner at home. In Sdot Yam meals are charged against the personal budget and while in the other Kibbutzim the dining hall is free and unconditional, in Yavne it was indicated that a voucher system for meals is on the way. In Amiad an expectation for some kind of bonus for not using the dining hall was mentioned.

In spite of the deterioration of communality common ownership of production means is considered very important in all five Kibbutzim. Several interviewees said that common

ownership of production means is the red line of the change. Beyond that the Kibbutz will not be a Kibbutz.

**15.1.1.2 Higher Standard of Living** - Life style in the Kibbutz is more subject to urban standards. The importance of this sub-hypothesis is not so much in proving that the standard of living in the Kibbutz movement has increasing in the same pace as that of the urban society, but rather in realising that there is a change of attitude in the Kibbutz and that it follows urban patterns.

Unlike the urban society, the Kibbutz never aspired to provide its members with high standard of living. On the contrary, the Kibbutz ideology preached Puritanism and restraint (chapter 4.4). Puritanism and restraint go along with Jewish tradition as expressed by two of the interviewees from the religious Kibbutz Yavne "be modest with your God". While both the Kibbutz way of life and the Jewish religious way of life favour austerity over wealth, neither Jewish religion nor kibbutz ideology valued asceticism as such. However, accumulating property and increasing one's standard of living was not considered as a main life goal.

In examining the lifestyle in the five Kibbutzim I looked for expressions of high standard of living and for patterns that are a change from the traditional Kibbutz way of life towards the urban style. The small houses with the large lawn and the free and easy access to the communal swimming pool are considered luxuries in urban terms. In the Kibbutz they are considered trivial advantages of the rural communal life. These are not the results of change and should not be perceived as such. This sub-hypothesis is aimed at those areas in which the present life style is the result of change from the traditional Kibbutz way of life. There are many changes in the Kibbutz way of life that, in urban terms, are not considered as changes in the standard of living. These changes may still be perceived as such in the eyes of a Kibbutz member. A clear example is the decision to allow Kibbutz members to choose their occupation and work place. This flexibility, so obvious in a non communal society, is a significant change in the Kibbutz. The freedom of choice, clearly a change of life style, is considered by many to be an increase in the

standard of living. Free choice of occupation is formally exercised in Cabri with work outside the Kibbutz as an option. Amiad is doing the same though no official decision was made.

Transferring funds from public budgets to personal budget is perceived by many as an improvement of the quality of life since it widens the range of choice of the individual, even in cases in which the total consumption has not been increased. Three of the Kibbutzim include electricity charges in the personal budget. With electricity budget comes the choice to consume less electricity and use the excess budget for something else. The more conservative Kibbutzim, Maanit and Yavne, rejected the idea of electricity meters though in Yavne one interviewee thought that electricity budget will be implemented before long.

All five Kibbutzim in the study utilise the advanced technology common in the urban society including kitchen equipment, private phones and more. Cable TV is a standard and is used both for entertainment and for distributing internal information. While interviewees from Amiad and Cabri stated that the standard of living in their Kibbutz is higher than that of the urban groups with similar income, none of the interviewees saw the city as a model for imitation. In Amiad the increased standard of living is the result of the members' decision to increase private consumption. A higher standard of living is still desired in all Kibbutzim. There was a general agreement in Amiad to allocate resources for the benefit and comfort of the members. In Yavne there is a loose set of rules for travelling abroad with the intention of covering everybody's wishes. Four of the Kibbutzim (with the exception of Maanit) hire cars for private use of the members when the Kibbutz car pool can not satisfy the demand.

At present each Kibbutz is responsible for its own standard of living. Since the Kibbutz movement does not dictate the standard of living any more, each Kibbutz can decide on the level of consumption it wants to maintain. The consumption culture of all five Kibbutzim has clearly changed during the years. The amount of change is different from Kibbutz to Kibbutz. Maanit, which is on the edge of bankruptcy, tries to maintain a

relatively high standard of living as can be judged from visiting its households. Cabri is trying to improve the private car service to its members even at the cost of renting cars. In Yavne, the very conservative religious Kibbutz, life style is similar to that of the other Kibbutzim in this research. The people of Yavne are aware of their high standard of living. Yavne solves the problem of diversified needs of the members by offering different free activities, of which some are pure entertainment and are clearly signs of increased standard of living.

Two estimates of the standard of living were given by interviewees. In both of them the standard of living, in fractile term compared to the total Israeli population, was high above the median (7 - 8 fractile) and was higher than the place of the typical Kibbutz in the income statistics of Israel (6 - 7 fractile). Having an average consumption higher than average income does not match the old Kibbutz culture. It does, however, match the Israeli urban consuming culture which tends to maintain as high consumption as practically possible. In Sdot Yam there are private cars and people are expanding there houses and in Cabri it was admitted that the gap in standard of living between the Kibbutz and the urban society can not be too wide since the young generation is attracted to the high standard of living in the city. Maybe the most interesting example of adopting the city lifestyle is the habit of youngsters of Cabri to order Pizza take away to be delivered to the Kibbutz gate. While no one was ready to admit imitating the city, this is a perfectly urban habit which in Kibbutz term was inconceivable until not long ago. In Amiad the attitude was that the desire for high standard of living is functional and not an imitation. In Cabri it was admitted that life style follows suburban style as a result of the changed desires of the members and not as a result of imitation. In Yavne imitating the city is considered negative and most of the 'city type entertainment' are against the religious way of life.

**15.1.1.3 Higher Level of Education -** Education in the Kibbutz is gaining importance. The most significant change concerning this sub-hypothesis is beyond the question of the level of education common in the Kibbutz today. It is the increased importance of

education, the demand for formal higher education and the recognition of the urban environment as the standard for education level.

The founding members of all five Kibbutzim in the research did not have and did not aspire to have any formal high education. Since then the attitude to higher education changed significantly. In Amiad formal higher education for individuals is considered by some to be in the interest of the community. In Cabri and Sdot Yam the term 'competitive education' was mentioned, meaning competitive in the urban employment market. The standard education system in all five Kibbutzim provides 12 years of study to all and there are arrangements available for anybody to pursue higher education. Cabri provides two years of higher education unconditionally. Yavne and Maanit finance three years of higher education in exchange for work in university vacation time. This privilege of the sons and daughters of Kibbutz members is considered to be the legitimate right of the parents. This is the place to comment that in the Israeli society parents are usually supporting their children through university.

In Amiad higher education was identified as a major consideration for the young generation in leaving the Kibbutz. Cabri and Sdot Yam have a study programme for the younger members in which they can study right after their army service without waiting years for their turn. Yavne is different than the other Kibbutzim since Jewish religious tradition always promoted religious studies. There is a religious college in Yavne for the people of Yavne and for outsiders. Yavne promotes religious and secular education almost since its founding year and for many years recruited educators.

While the old generation pursued professional informal education targeted to satisfy the needs of the Kibbutz, the younger generations does not connect formal academic education to any specific need. The younger generation has significantly higher education than the older generations in all five Kibbutzim. Obtaining second university degree is very common in Amiad and special education is also taken care of by Amiad unconditionally.

### 15.1.1.4 Summary of the First Hypothesis

The beginning and perhaps most significant component of the process of increasing family autonomy in all five Kibbutzim is the move to family sleeping. In all the Kibbutzim ideology followed the practice and the official change followed an already existing situation. It was claimed that family sleeping was not a principle but rather a 'sacred arrangement' (DR from Amiad and EB from Yavne). However, I can recall something different from my own experience. In the late sixties I lived in Kibbutz Gonen (not far from Amiad). Gonen was the first Kibbutz to have family sleeping. This made it very attractive to many members of other Kibbutzim who came to live in Gonen and raise their children at home and still live in a Kibbutz. Gonen, at that time, was not accepted as a full member of the Kibbutz movement because family sleeping was against the Kibbutz principles. This discrepancy between what I heard from the interviewees and my own experience and known facts, proves that the strengthen of the family is now accepted. Not only that there is a change of domestic pattern, but there is an erosion of the principle. What was considered a principle thirty years ago is only an arrangement today and therefore can be easily dropped.

Kibbutz members are talking about changes in the type of partnership. Even the possibility of total abolishment of the commune is mentioned. Some are confident that such a change will never happen and for others, mainly the younger ones, it is the light at the end of the tunnel.

It seems that Puritanism in the Kibbutz movement is dead. The desire to raise the standard of living became as natural as in the urban society. It is not so much a matter of imitating the city but rather diminishing the gap. There is a difference between the leftist Kibbutz Maanit and the others in the length to which members are willing to go in order to raise their own standard of living. In Maanit differential salaries was out of the question. Though one interviewee was willing to have a new social covenant with a different type of partnership. But even he did not mention differential salary.

The younger generations perceive higher education as part of the preparation to real life and occupation. Acquiring educational assets is recognised as a natural and legitimate right of the young Kibbutz member. The importance of acquiring high education before entering the normal life cycle in the Kibbutz is taken on board. Professional and educational competitiveness of the Kibbutz youth is tested against the whole state of Israel and not only in his own Kibbutz.

Having validated The first hypothesis and establishing the fact that the Kibbutz is turning from a puritan rural commune to a family oriented consuming suburban type community does not mean that all Kibbutzim are turning to urban suburbs. It does show, however, that the Kibbutz is adopting domestic suburban patterns as a result of the tight connection with the urban society within which it is active.

### 15.1.2 Second Hypothesis: Culture - The Ideological Aspect: Work as a Value

In the traditional Kibbutz work was perceived as a value in its own right. Productivity, though of great importance, was not the only thing that made 'work' valuable. Work, particularly physical agricultural work, was important regardless of productivity. Physical labour, agriculture, and to some extent, productivity, were the criteria for measuring dedication of people and success. The second hypothesis assumes a shift of attitude to 'work' from a value in its own right to a tool, among many others, for achieving profits. It is hypothesised that profitability is becoming the major criterion for success. Work itself is loosing its status as a 'value' and productivity is getting a different meaning since profits can come from other people's work, royalties, rent etc. The second hypothesis is broken down to three sub-hypotheses:

**15.1.2.1 Profit Equals Success** - Income and profits are measures for success. The sub-hypothesis assumes a business oriented approach to success. Such an approach is easily understood in the modern world but was strange to the traditional Kibbutz which admired hard work (chapter 4) and, to some extent, to the Jewish religion which promoted knowledge and wisdom.

The value of work itself, while not so emphasised in the typical modern Jewish trades of bankers and merchants, is deeply rooted in the old Jewish tradition. The world, according to Jewish tradition, is based on three elements: Education, Work and Charity. The ancient Hebrews were shepherds but later became farmers and warriors. Only in the Diaspora (chapter 5.2) they turned to learners and merchants. Banking was very limited in the ancient Jewish state. Interest on loans was forbidden within the Jewish community. Non profitable loans were almost compulsory and had the nature of charity more than a business (chapter 6.2). All these laws became irrelevant in a non Jewish environment with the exile from Israel.

The settlers of the turn of the century tried to reverse the process of the exile. They tried to create a new type of Jew who was closer to the old farmer warrior type. In order to do this they neglected and dropped the education for the sake of knowledge and concentrated on learning only skills they needed for work. Formal education became unnecessary and education for the sake of making money or for learning skills other than "productive work" was even condemned. The Kibbutzim were founded as pioneering settlements. Contributing to the revival of the Jewish state was a main target and this contribution involved 'working the land', in the spirit of Gordon's 'Religion of Work' (chapter 6.3).

The founders of the Kibbutz movement were not unaware of the economic needs of the community. Their purpose though was to live on the land and to make a living from the land (chapters 4.2; 4.3). In the early days the only excuse to work out of the Kibbutz was to make a living. This was considered a necessary evil and happened in cases when the Kibbutz itself did not have enough work to make a living (the cases of Amiad and Sdot Yam, chapters 13.2 and 13.4). The industrialisation of the Kibbutzim was inevitable since agriculture could not provide for the whole Kibbutz population. But the concept of maximising profits was introduced only in the late seventies when connections with the urban environment were tightened. Maanit had industry in its early days in order to make a living. However, the desire was to make a living from the land and not just to make a living and definitely not to make profits. Maanit gave up its industry and replaced it with

agriculture, against economic considerations. Amiad did not invest in industry for profits until the mid eighties. The concept was of agricultural community.

There was a total agreement in all five Kibbutzim that a successful branch is a profitable one. There were, however, some restrictions. A profitable operation with bad working relations was not considered successful by some of the interviewees. There was some openness to non profitable operations of national importance, mainly in the immigration absorption area.

The Kibbutz Tree Model does not address the issue of labour and profitability directly. It does, however, involve the practical principle of full employment. When the work is not a value but rather a means of making money, providing employment is not a principle but rather a business convenience. Not having obligation for full employment is justified in such a case.

**15.1.2.2 Breaking the Adherence to Agriculture - Non Agricultural branches are responsible for increasing percentage of the Kibbutz income.**

The statistics of the Kibbutz movement shows that industry replaced agriculture and became the main provider of income and of jobs in the mid-eighties (chapter 12).
Two of the five Kibbutzim in the research, Amiad and Maanit, are based mainly on industry, though they still have successful agriculture. All projected investments are in industry or in the leisure areas. Agriculture, even when very successful, is stagnant or decreasing. Between 1969 and 1991 the number of Kibbutz industrial operations increased from 164 to 366. The number of workers in the Kibbutz industry, members and hired workers, grew from just under 8,500 in 1969 to over 18,700 in 1991. In 1978 there were 12,161 industrial workers and 18,400 worker in agriculture. In 1991 there were 18,745 industrial workers and only 17,500 agricultural workers. Industry replaced agriculture as the main work provider in 1986.

There are no accurate data to compare the total income of the Kibbutz industry with agriculture. It is quoted by S. Maron (1992) that in 1989 the income of the whole

Kibbutz movement from industry was about four times higher than its income from agriculture. As for the five Kibbutzim in the research, Maanit reluctantly depended on its industry in its early days. Maanit used the first opportunity to turn to agriculture. In the early 80's Maanit turned back to industry and in 1991 more than 70% of Maanit's income came from industry. Amiad turned to industry in the mid eighties and by 1990 industry provided more then 60% of Amiad's income. Cabri did not provide any financial data but from the early eighties more workdays are invested in industry than in any other branch in the Kibbutz. Sdot Yam turned to industry in 1942 as part of its fishing operation. In the early 50's industry expanded and today it is by far the largest income generator of Sdot Yam. Yavne is the only Kibbutz of the five which is mainly agricultural. However, Yavne's Agriculture in very much industrialised. The hatchery, which provides 30% of the Israeli market, is highly automated and considered by its worker as an industry. Pure industry is growing and doubles every decade. It provides, though, only 20% of Yavne's income.

All interviewees had no difficulty to imagine a Kibbutz with no agriculture at all. All of them, however, had some excuse for keeping some agriculture in the Kibbutz. Non of the reasons were ideological and most of them were rather pragmatic "We are already invested in Agriculture", or "People like Agriculture because it agrees with rural life " etc. The fact is that when presented with the practical possibility of dropping agriculture most interviewees looked for a way out. There was a total agreement that allocating agricultural land to non agricultural business is an issue for the General assembly to decide. This does not mean that the Kibbutz is not turning to the service industry. It does, however, demonstrate the seriousness of the issue of abandoning agriculture as a main economic operation.

### 15.1.2.3 Breaking the Self Sufficiency Rule - Autonomy of the Community is Less Important than Profitability.

It has to be noted that the term 'self sufficiency' here means a closed economy and not the modern interpretation of positive balance. The early history of the Kibbutz movement aspired to create closed economic entities. While this was possible and not totally

unreasonable at the turn of the century, modern conditions made this concept inadequate and unreasonable. None of the Kibbutzim in the research aspire to be a closed economy any more. There was total consensus of all interviewees and non of them took this issue seriously.

#### 15.1.2.4 Summary of the Second Hypothesis

Validating the second hypothesis has several implications on the Kibbutz movement. Through the Kibbutz way of life the founders of the Kibbutz tried to connect to the ancient Biblical Hebrews. The new Kibbutz way of life, as reflected in the second hypothesis, brings the Kibbutz to the present, to the time of maximising profits. The most significant change relevant to this hypothesis is opening the Kibbutz to the national work market. From the 'religion of work' and the primal physical contact with the land the attitude changed to the rational 'positive balance sheet' attitude.

The Kibbutz turned from a closed system to an open system and ceased to see itself as the only occupation market for its members. It is opened both ways. Members can look for jobs outside the Kibbutz and businesses can look for workers outside. The 'Closed Shop' idea is long gone. Autarchy became meaningless and economic independence is interpreted in the same way any business is measured, namely investment and profit. The Kibbutz is changing from a community of people who share everything to a community of people who share residence. From total common economy to a common household economy. With no external ideological purpose there is no importance to work other than its contribution to the household economy, namely income. With outside jobs possible and legitimate the scenario of a Kibbutz with no agriculture is not impossible, though there are still emotional resistance to such a phenomenon. It has been proved that effort and self sufficiency gave way to profitability as a target. Success is measured through the balance sheet, both for the business and for individuals.

Four out of the five Kibbutzim are primarily industrial. Yavne is a mixture of agriculture, industrialised agriculture and pure industry. Industry brought with it industrial standards which, to some extent, contradict the Kibbutz way of life. The hierarchy of command and

the need for hired labour did not go well with the Kibbutz principles. When industry became the main income and work provider the problem surfaced. It was solved by turning to urban standards of Board of Directors with the industry interests in mind and in giving up some practical principles. In spite of the unsuitable structure industry and other non agricultural ventures became the main providers of both work and income in the Kibbutz movement and in most individual Kibbutzim. It is safe to state that the Kibbutz is going from productivity, labour and agriculture as targets to the market oriented target of making profits.

### 15.1.3 Third Hypothesis: Management - Resource Allocation

The fourth hypothesis assumes a shift of investment policy from allocating the major part of resources to productive branches as a source of income towards investment in service industries as a source of income, as well as in any operation which may be profitable. At the same time more resources are allocated for increasing individual consumption and standard of living.

There is no written document specifying an investment policy in the Kibbutz movement or in individual Kibbutzim. Investment policy evolved from the Kibbutz ideology and from practical necessities. Until very recently there was no overall investment policy and each particular incentive or issue was discussed and decided at various levels of committees and finally at the General Assembly. The third hypothesis is broken down to four sub-hypotheses:

#### 15.1.3.1 Investment Shift - Investment in services as a source of income has increased in relation to investment in productive businesses.

In this hypothesis the meaning of services is the sale of services which do not involve material goods. The most relevant example in the Kibbutz movement is the leisure industry. It is very difficult to compare fields of investment since there are no specific data for investment in agriculture. Investment in industry is increasing after some decline in the early nineties (Maron, 1992). It might be the difference between the primal domain of agriculture vs. the rational domain of industry in the Kibbutz but the fact that

investment in industry is registered while investment in agriculture is not detailed is quite significant. Investment in services is, also not available for the whole Kibbutz movement. This, however, may be due to the initial state of this branch.

Non of the five Kibbutzim in the research reported of any massive investment in agriculture. Amiad invested massively in its industry in the mid eighties. Amiad is planning a commercial centre next to the Kibbutz with outside partners. No massive investment is planned for the industry. Cabri invested in different industrial operations and up to now did not invest large amounts in services. There is a shop and a hall for parties but they are rather new use for existing premises. Cabri plans to develop an industrial park on its land and some kind of tourist attraction. While the nature of industrial parks is productive the role of Cabri in it is mainly a service provider. Sdot Yam has already invested in services quite massively. The rising business is the water leisure centre which is a pure service. It is successful and further investment is planned. Maanit is not planning any massive investments at the present and Yavne rejected any investment in any kind of service as an income generator.

**15.1.3.2 Human Resources Shift - The number of workers in services has increased.**
It is important to break down this sub-hypothesis in order to understand the process it is pointing at. There are inner services that are aimed to provide services to the Kibbutz members and there are services that are sold outside the Kibbutz for the purpose of making money. Services as a business is partially taken care of by the previous sub-hypothesis, though investment does not always mean more manpower. Contrary to the second sub-hypothesis the percentage of Kibbutz members who are registered as inner services workers has decreased in recent years (chapter 12). The registration, however, may be misleading. Since the mid eighties all teachers working under the law of free education are considered outside workers and are reduced from the inner services list. In addition some of the inner services, such as taking care of the children were transferred to the family home. This reduced the number of inner services workers in return for a shorter working day for women

Services for sale is a rising business in the Kibbutz movement with some opposition. The conservative Yavne refused to enter the area of selling services. The claim was that it is not for ideological reasons (chapter 13.5). However, the reason can be interpreted as ideology driven. All the other four Kibbutzim are either involved in the service industry or plan to get involved in it. Maanit has a shop out of the Kibbutz. Sdot Yam owns two snack bars. These are leased out for reasons which, like the case of Yavne, can be described as ideology driven. This is in spite of Sdot Yam being strongly invested in the leisure industry and expanding its investments (chapter 13.4). Amiad, in its typical conservative way, entered the leisure industry and retail food sales very carefully (chapter 13.2). Investment is minimal but in observing the store and the winery I noticed steady growth. Cabri is selling Business Consulting services. The turning point is letting one of its premises for parties and ceremonies and there are plans to expand the involvement in different services from Airport to industrial park for letting. Non of the consideration I heard concerning future investment had to do with ideology. All five Kibbutzim, however, considered allocating agricultural land for the service industry as an important issue which should be decided by the General Assembly.

### 15.1.3.3 Higher Needs - The 'needs' covered by the Kibbutz have expanded towards higher consumption.

The definition of needs is important in this hypothesis as a measure for the legitimate and practical domestic consumption. Examining the Kibbutz according to Maslow's theory (chapter 8.1) reveals that in the early days the Kibbutz community experienced a strange duality in its existence. While the higher levels of needs such as sense of belonging and social recognition were largely provided, the basic physical needs such as food, decent lodging, and security were very scarce. The higher level satisfied needs provided the resilience needed to stand the lack of the basic needs. At a certain stage along the development process the basic needs were achieved. The individuals then turned to the highest level of needs - self actualisation. These are different from individual to individual and are very difficult to value and compare. Therefore very difficult to satisfy equally (how do you measure equal portions of different needs?). In times of scarcity of food self

fulfilment is not really a need. In times of prosperity some luxuries are considered as needs.

In the early stages of the Kibbutz movement and even around World War II the term 'needs' meant just the bare necessities of survival. At that time, in Palestine, even providing these needs was not an easy task. It is obvious that the content of the term 'needs' has changed all over the western world and the Kibbutz movement is no exception. This sub-hypothesis aims to confirm that the concept behind the term 'need' has changed and needs are not of the subsistence any more, but rather a 'higher than basic' standard of living.

What has changed is not only the term 'need' but also the attitude to 'not receiving the needs'. In all five Kibbutzim higher education was singled out as a consideration of the young generation to leave the Kibbutz. It was admitted that in modern times formal higher education is a 'need'. Granting higher education to the younger generation right after the army service solved the problem of high rate of leaving since it attended to a need. Other changes were made to attend to needs. The freedom to choose an occupation attended to the highest level in Maslow's ladder, self fulfilment. As a matter of fact the difficulty in the interpretation of equality proves that needs are higher since there is no difficulty to provide the basic needs. The difficulty arises when there is enough for the provision of higher than basic need. These are much more diversified. As Bertrand Russell write in his assay "In Favour of Socialism" (Russell, 1935). Equal provision of needs can be achieved in a culture of scarcity and in an unlimited wealth. In the midrange there are problems of allocation and equality.

All five Kibbutzim reasonable high standard of living, arrangements for higher education, extra curricular learning and leisure. Smoking was recognised for years as a need and cigarettes, though of simple brand, were provided. When Maanit transferred cigarettes to the personal budget it did not decide that it is not a need. It only decided that this need will be provided from the members' budget, knowing that they can afford it. this was perceived by the non members as a more just allocation.

**15.1.3.4 Shift in Prestigious Positions - Administrative and managerial positions are more appreciated than in the past.**

The aim of this sub-hypothesis is to prove a change in attitudes towards hierarchy and authority as well as a change of attitude toward the "non-productive" positions.

I find it necessary to comment that the impression I had is that in the past prestige was reserved to people and not to positions. People were appreciated for their character and for their personal record. The rotation principle took care that all members had the opportunity to build a record. The attitude to prestige has not changed much. Prestige is still for a person and less for the position he holds. There are, however, positions that are sought after more than others, for functional reasons not prestige. However, since the rotation principle is not maintained there are positions usually held by people of high prestige. These positions can be called prestigious positions.

There is a two way change concerning prestige. Public positions are, generally, not sought after. Some of them are more prestigious like the Economic Co-ordinator. Some of them are less desired, like the General Secretary. The position of General Secretary used to be a prestigious one, as I can remember from my own experience. In Cabri the more prestigious positions are the economically powerful ones. In Amiad the first reaction to questions on prestige was that it is meaningless. Prying deeper into the issue revealed that public positions lost their prestige which was transferred to positions which generate money to the Kibbutz. In Maanit I found that status symbols are important and positions with economic power are highly regarded. In Sdot Yam the management positions, especially those generating high income were defined as prestigious. Beyond that prestige was attributed to people not to positions. Yavne, as usual, is more conservative. Prestige is attributed to people rather than to positions. Having said that the manager of the Field Crops was mentioned as a prestigious position. The group of people who manage the investments of Yavne is a very prestigious group. The prestige is, however, attributed to the people and not to their position.

### 15.1.3.5 Summary of Third Hypothesis

The importance of this hypothesis goes beyond the actual investment policy. Validating this hypothesis means that the Kibbutz is shifting from its ideology directed economy towards the universal business perception of investments namely - invest to maximise profits. The profit making perception is reflected not only in the way the Kibbutz conducts its business but also in the way it conducts its non business operations. By turning some of the inner services to profit centres, free to offer services for sale, the Kibbutz put profit making in the top of its priorities. The change in general attitude of Kibbutz members to profit making is reflected in the increased prestige of managerial positions of profitable operations and the decline, or reluctance to hold socially oriented positions.

Investment plans are made in pure business consideration in mind. No significant investments were found to be made in agriculture. Resources are invested in industry and in the service industry. Most new large scale plans have strong 'service' part. It was found that the whole attitude towards making a profit from selling services has changed. No one related to selling services as breaking a principle and reason for not joining the service industry were very pragmatic.

Contrary to the second sub-hypothesis, the number of workers registered in inner services has not increased in the last several years. However, the decline in number of workers is not due to reducing the level of inner services but rather due to a change in the work structure of the Kibbutz. Another factor is efficiency and automation as well as hired labour which entered the inner services. While the sub-hypothesis has not been validated at face value this fact does not shake the hypothesis itself and does not contradict the hypothesis of shifting investments to the service industry and to consumption.

The definition of 'needs' has changed to reflect much higher consumption. While formerly the term 'need' meant the basic needs of existence now it includes, in addition to basic necessities and welfare items, more consumption items of both goods and services such

as higher education, private cars and metaphysical items such as choice of consumption and choice of occupation. It is clear that the term needs has expanded in terms of consumption within and beyond the pure material consumption.

### 15.1.4 Fourth Hypothesis: Management - Decision Making Process

Direct Democracy is derived from the principles of Equality and Partnership of all members. The fourth hypothesis assumes a shift in these principles towards democracy of representatives, be it elected proxies or nominated professionals making decisions in their areas of specialisation. This hypothesis is broken down into three sub-hypotheses:

#### 15.1.4.1 Introduction of Hierarchy - There is a change in the organisational blueprint with more authority to representatives and professional bodies through:

**A. establishing board of directors in industry with outsiders, usually professional experts.**

**B. granting more decision making power to committees.**

There is a contradiction between the non hierarchical structure of the Kibbutz and the hierarchical structure of industry. Industry introduced the hierarchy to the Kibbutz after attempts to apply the democratic Kibbutz model to industry failed. DR from Cabri comments on the establishment of board of directors, that a company's board has a narrow span of responsibility to the respective business. It does not bear the obligation to rescue another collapsing business of the same Kibbutz and may even refuse to 'lend' money to the Kibbutz when in difficulty. The General Assembly has a wider point of view and it sees the interests of the community not only those of the business. A board of directors, with directors from outside the Kibbutz, can and should protect the business from the contradicting interests of the community. In Cabri each economic branch is an independent business and operates as a profit centre. There is no common treasury any more. Cabri's controller can not put his hand into the pockets of any business and take money for the use of the community. The factory in Cabri is a limited company with board of directors with an outside chairman. The board has the authority to hire and fire the factory manager without consulting the General Assembly. Sdot Yam also has a board of directors with outsiders in its industrial operations. There is some professionally

the factory manager without consulting the General Assembly. Sdot Yam also has a board of directors with outsiders in its industrial operations. There is some professionally based hierarchy in other branches as well. Amiad also reported some hierarchy in economic operations and in Maanit the factory is a limited company with the usual hierarchy of a factory of that magnitude. In Yavne the situation is similar with 'professional hierarchy among equals', meaning that operative decisions are taken by professionals and by managers.

General Assembly meetings act as share holders meetings. No power groups can be formed on financial basis since no equity can be bought for money. In all five Kibbutzim there are management committees and there is the supreme authority of the share holders - the General Assembly. In all five Kibbutzim there is no social structure hierarchy and there is no material remuneration which is typical to urban industrial hierarchy.

The significant change in the organisational structure is not so much in the flow of authority but rather in the type of decisions made by the General Assembly. The General Assembly is practically limited to policy decisions. No operative decisions are made by the General Assembly unless they are related to the social life of the Kibbutz. More than that. Four of the five Kibbutzim have a council, which is an elected board representing the General Assembly in day to day life. The day to day issues are handled by elected bodies, which have the authority to make decisions. The practical decisions are made by managers or professionals. The degree of involvement of the General Assembly is different in the different Kibbutzim but all decisions are either taken by committees or processed by committees. The Committees report to the council which is elected by the General Assembly.

In spite of the above, the direct democratic mechanism is retained as far as the supreme authority is concerned. Any member of any of the five Kibbutzim can bring any issue to the decision of the General Assembly. It rarely happens, but the mechanism still exists. In addition, policy issues, though processed by committees, are decided by vote of the whole population. The natural tendency of diminishing participation rate is offset by

**15.1.4.2 Breaking the Rotation Principle - There is an erosion of the rotation principle towards professional managers who hold managerial positions not on rotational basis.**

The general attitude to rotation I found was that it is not a principle. It was exercised in order to prevent people from accumulating power. This problem exists only in Maanit, which did not find a solution to the problem since the price of rotation was much higher than the alternative.

In Cabri the process of choosing a person for a position fits a normal recruitment process in any commercial firm, including the use of an outside recruitment firm. In Amiad the rotation principle is exercised but it is not looked at as a principle. As one of the interviewees put it "we never had a manager who was good enough to break the rotation for". All public positions are subject to rotation. The reason may be that those positions, even the formerly prestigious ones, are not sought after so much. As a member of Yavne put it "I want to have the opportunity to refuse the position of General Secretary". No rotation is exercised in industry with the exception of Amiad, which, as mentioned above do not consider it a principle. Generally speaking the question of rotation does not play any part in the consideration of choosing people for positions.

**15.1.4.3 The number of members active in the General Assembly is significantly smaller than the number of members in the Kibbutz.**

While this seems to be a purely statistical issue it can be more complicated when looked at carefully. the unofficial nature of General Assembly meeting made all listings, which were anyway mostly unavailable, inaccurate. All five Kibbutzim reported very low rate of participation in General Assembly meetings. Participation rate in Yavne was the highest with just above 30%. Amiad followed with 30% and in the rest participation rate in General Assembly meetings was less than 20%.

In recent years All five Kibbutzim transmit General Assembly meetings to the houses through a closed TV system. Watching the meetings, though not compatible with participating, is a passive participation that, in some cases, lead to active involvement.

In recent years All five Kibbutzim transmit General Assembly meetings to the houses through a closed TV system. Watching the meetings, though not compatible with participating, is a passive participation that, in some cases, lead to active involvement. Important issues are brought to a vote through poll boxes and participation rate in all five Kibbutzim is reported to be very high.

#### 15.1.4.4 Summary of the Fourth Hypothesis

The implication of validating this hypothesis is in the change of attitude of Kibbutz members to the decision making process. As long as the Kibbutz was a strongly united community, more like an extended family, each member took high interest in any decision made in the Kibbutz. With time the complexity of the decisions grew higher and the interest grew lower. People are less interested in taking part of all the decision made in the Kibbutz and concentrate on very few issues.

Most economic operations in the Kibbutzim of this research established board of directors. Some of them with outsiders. The board is independent and can hire and fire. It is still, however, governed by the General Assembly. Management is in the process of becoming a position for professionals. With the breaking of the rotation principle and managers holding their jobs as long as needed, industry in the Kibbutz is operating like an urban industry with the General Assembly acting in a way similar to the share holders meeting.

It can be claimed that the hypothesis is correct, since the number of active participants in General Assembly meeting is significantly smaller than the number of the Kibbutz members in all five Kibbutzim, and most decisions are made by committees or managers. However, I will not be loyal to strict academic practice if I will not add a comment of reservation. The hypothesis assumed increasing power of elected bodies and a tendency towards democracy of representatives. While it is true that elected bodies such as committees and holders of managerial positions have more decision power, the tendency toward democracy of representatives is very selective.

kind of decision. Nor is there any mechanism which enables a citizen to bring his personal affair, or any affair, to the decision of the whole population. In most countries a person may, if he is lucky and has enough connections, bring a major complaint to the parliament or, if he has enough money, to the judicial system. In the Kibbutz each member can turn to the whole population and raise his arguments. By keeping this mechanism the essence of Direct Democracy is kept and there is no pure democracy of representatives. The hypothesis is, therefore proved with reservation.

### 15.1.5 Conclusions on the Case Studies:

The Kibbutz is not just a culture within a culture. Within the Israeli culture there is the general Kibbutz culture which is a product of the Kibbutz movement and the position of the Kibbutz movement in the Israeli environment. This culture is common to all Kibbutzim of the same federation. Kibbutzim of the other federations may differ slightly in their culture. The other culture is the immanent culture of the individual Kibbutz which is derived from the character of the people in the Kibbutz, its history.

The Case Studies make it quite clears that the processes of change are very similar in all five Kibbutzim. The differences are expressed in the pace of change and in the extremes, meaning, how far the changes are going to go. We can conclude, therefore, that the nature of change is dictated, or rather strongly influenced by the host culture - as hypothesised. The inner culture of the individual communities does not influence the nature of the change only its specifics. The pace and the extremes are strongly influenced by the culture of the individual Kibbutzim.

Cabri enjoys a culture of entrepreneurship. It leads the changes in its community not led by them. The pace of change is quick and the changes are controlled. As expected, Cabri is very diversified with a history of many successes and failures. Their factory applies a complex process and is serving a complex industry. Cabri is constantly looking for new ventures and is very aware of managerial and organisational issues.

complex process and is serving a complex industry. Cabri is constantly looking for new ventures and is very aware of managerial and organisational issues.

Amiad is the reactor with the prudent and conservative culture. It has the culture of freedom and no rigidity. The changes are, mostly, reaction to reality, possibly influenced by the large number of Dutch Jews who joined Amiad in its early days. Once a reality is identified to be different from the rule the change is administered to solve the problem of discrepancy completely. The economic price is paid and absorbed by the strong economy of Amiad. For example, expanding the family houses delayed the building of a new dining hall for years. As expected in light of the prudent and conservative economy Amiad did not suffer any economic crisis. The industry of Amiad is agriculture related. It is very successful and expands constantly. Diversification, however, is limited which goes along with the conservative culture, though lack long term vision. Most of the new ventures are based on utilisation of idle resources like the use of old wine press for starting a wine business or using uninhabited houses of the old part of Amiad to build a hostel.

Maanit is a conservative Kibbutz, as expected from its founding population. It is difficult to comment on its culture since it is a culture of emergency caused by the economic crisis. unlike Amiad, Maanit is more an industry with a Kibbutz than a Kibbutz with an industry. Changes are accepted as last resort since the situation before the change is desperate. The people relate to social as well as ideological changes as extreme measures taken to some the Kibbutz and not as normal process of adapting to a changing environment.

Sdot Yam is the radical Kibbutz. As far as changes are concerned Sdot Yam is the most advanced of the five. This is understood considering its extraordinary history and long time flexibility of ventures. Sdot Yam started with fishing, invested in industry and in trade as well as in agriculture. Building a shipyard was very radical in the 40's and so was operating a sea cruise as an economic venture. Changes, even radical ones, are no problem to Sdot Yam. Sdot Yam was founded as a non agricultural Kibbutz. This may be the reason why Sdot Yam finds it easy to be different in other areas as well.

explain the slow and solid pace of change. No change is made unless really necessary, and when it is done it is done in the best possible way. The pace of change in Yavne resemble that of Amiad.

### 15.2 Second Level Conclusions

The second level conclusions are those relevant beyond the four hypotheses, but still relevant to the Kibbutz and to the Kibbutz movement.

Marx said that revolutionary convulsion is periodical (chapter 6.1). The Kibbutz founders perceived themselves as revolutionaries being part of the socialist revolution. Interpreting the reality of the Kibbutz according to Marx we can say that the Kibbutz movement began as a revolution. Then it spent many years in a non-revolutionary period. Now it reached its next revolutionary period. Marx wrote that "...Mankind always sets itself only such problems as it can solve; since, on closer examination, it will always be found that the problem itself arises only when the material conditions necessary for its solution already exist or are at least in the process of formation" (Marx, Preface to 'A Contribution to the Critique of Political Economy' 1859, in Bottomore, 1956). The history of the Kibbutz movement clearly shows that in spite of its flexibility the Kibbutz did not make the necessary changes in order to survive as an open system in an economically oriented environment. The cultural gap surfaced in the mid-eighties economic crisis of the movement. At that time the Kibbutz culture was ready for a change, maybe a revolutionary change, which is turning from an ideology based organisation into a more bureaucratic organisation (chapter 11).

The Kibbutz began its life as an organisation with three levels. The practical principles which covered all aspects of life were derived from the basic values. When practical principles are not ideology driven, as it is today, hierarchy becomes essential for the smooth operation of the organisation. The need for a hierarchy is much stronger for such an organisation than in the traditional Kibbutz.

smooth operation of the organisation. The need for a hierarchy is much stronger for such an organisation than in the traditional Kibbutz.

There is a ritual sequence in the change of a practical principle

i. The principle is broken in practice, not in theory.

ii. the principle looses its standing as a principle (rotation, family sleeping, common dining hall). What was a principle in the past is only a changeable arrangement today.

iii. the principle as such is abandoned and the change is legitimised by a formal decision.

The traditional Kibbutz was a primal organisation which combined the business sphere with the community. Though it confined itself to agriculture it left space for innovation and entrepreneurship (the Cabri case, chapter 13.1 and the Amiad case, chapter 13.2). Life-style, in general, was frugal as reflected in the definition of the 'needs'. Members shared the basic values and the passion for these values was sufficient to overcome difficulties and scarcities. In a non hierarchical voluntary society leadership was the primal charismatic developed in each Kibbutz and in the movement as a whole. In certain aspects each of the Kibbutz federations (chapter 4.2) can be looked upon as one organisation and the individual Kibbutzim as organisations within an organisation.

After the establishment of the state of Israel the need for a transition to the rational domain surfaced. The Kibbutzim began to seek effectiveness. The desire for efficient management is apparent in all five cases and is the reason for changing many of the practical principles. The charismatic leadership gave way to, what seemed to be, effective management. The word 'competition' could be heard in the Kibbutz though basically it remained a non-competitive community.

The Kibbutz movement, in reaction to the mid-eighties economic crisis, is now struggling to enter the developmental domain. Regretfully, this transformation comes after some disappointment from the rational domain. Looking for solutions to the high leaving rate

the Kibbutz community is turning into a non-competitive welfare-community owning businesses managed in the competitive business oriented manner.

The metaphysical element which prevailed during the primal domain, the preference of ideals over matter, can still be spotted, though in minor voice (Cabri, Amiad, and Yavne, chapter 13). The vision is a rather commercial one but the Kibbutz is still a community based on vision. When, or rather if, the Kibbutz will lose its vision and will not find a new vision, it will lose its uniqueness.

Using the Tree Model to analyse the changes in the Kibbutz we find that the root values were maintained while the principles of the trunk are changing. The principle of communality is changing into the new principle of partnership which is reflected in changes in the economic management and division of labour areas at the Tree Top.

In a commune the community is responsible for all areas of consumption. The new type of welfare-community is responsible only for selected areas. In both cases the responsibility of the community is not dependent on the income generated by the individual. The new ideology triangle (see fig. 14-2 in chapter 14.2.4) does not promote communality as the interpretation of social justice and a new interpretation is needed. This new interpretation, new way of life, may not have a name yet. It is less communal than the traditional Kibbutz but still more communal than traditional co-operatives such as Mondragon (see chapter 9.2). I would like to call it 'Minimal Commune'. Communality will not be the practical expression of the ideology. There will be, however, some partnership which will provide a minimum standard of living and demand a minimum contribution. This is as far as the equality principle will be kept. The minimum provided and the minimum demanded will be set by each Kibbutz and will be mandatory. The rest will be optional and will aim to fulfil the desire of the individual for freedom.

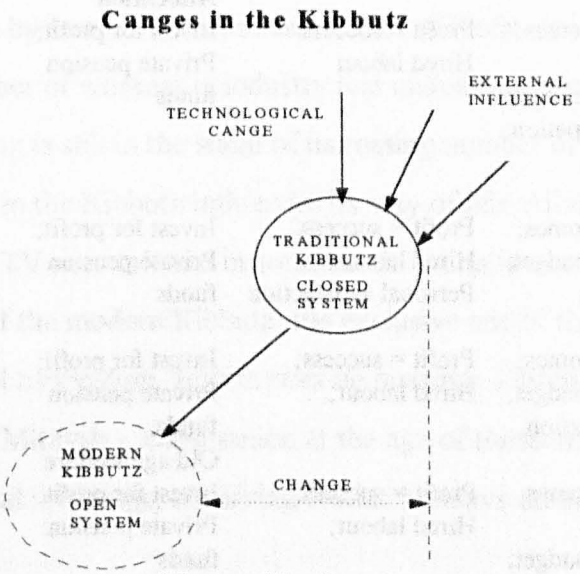



**Figure 15 - 2**

Table 15-1 summarises the five cases. The information is sorted by the four hypotheses and relates mainly to changes in the culture and the organisation. The table is edited in a way which stresses similarities and differences between the five Kibbutzim. The information is a summary of the five case studies as presented in chapter 13. The table does not describe items which prevailed for years and did not change such as the innovative culture of Cabri or the work structure in Amiad.

**Case Studies Summary Table**

| | Life-Style | Work Values | Resource Allocation | Decision Making |
|---|---|---|---|---|
| **Cabri** | Large family homes; Private cars; 30% personal budget; Choice of occupation; supported high education | Profit = success Hired labour | Invest for profit; Private pension funds | Separating business from social issues; Elected council; Voting poll boxes. |
| **Amiad** | Large family homes; 30% personal budget; supported high education | Profit = success; Hired labour; Personal satisfaction | Invest for profit; Private pension funds | Separating business from social issues; Voting poll boxes |

## Case Studies Summary Table

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| **Amiad** | Large family homes; 30% personal budget; supported high education | Profit = success; Hired labour; Personal satisfaction | Invest for profit; Private pension funds | Separating business from social issues; Voting poll boxes |
| **Maanit** | Large family homes; 25% personal budget; Free high education | Profit = success; Hired labour; | Invest for profit; Private pension funds; Old age welfare | Separating business from social issues; Elected council; |
| **Sdot-Yam** | Large family homes; Private cars; 50% personal budget; Choice of occupation; supported high education; Pay for meals. | Profit = success; Hired labour; | Invest for profit; Private pension funds | Separating business from social issues; Elected council; No General Assembly; Referendum |
| **Yavne** | Large family homes; 30% personal budget; Free high education. | Profit = success; No hired labour; No service business | Invest for profit; Private pension funds: No service business | Separating business from social issues; Elected council; |

**Table 15 - 1**

As can be seen in table 15-1 the trajectory of change is similar in all cases.

i. Life-style: large family homes which enable enable the emergence of culture. Increased family budget is common to all five, though the pace of change is different. The attitude to private property is changing, in two cases car ownership is allowed. All Kibbutzim recognised the importance of high education, though the are on a different point on a scale of change and differ between free and partially supported high education

ii. Work Value: in all cases success was identified with profit. In Yavne there is still a ban on hired labour as a principle and the refuse to invest in any service business.

iii. Resource allocation: all the Kibbutzim were willing to invest in any legal business for profit with the exception of Yavne which refused to run service businesses. All the

Several facts were emerged in the research:

1. The change in the Kibbutzim follows the industrialisation of Israel. This can be derived from the data in chapter 12 which shows that Israel has finished its industrialisation process (also hinted by Israel's individualistic index of Hofstede). This is expressed by the decreasing number of workers in industry and increasing number of workers in services. The Kibbutz is still in the stage of increasing number of industry workers.
2. Modern technology in the Kibbutz influences its way of life. All information is distributed through TV network and in some cases voting is made through the phone.
3. The Jewish nature of the modern Kibbutz: the exclusive use of the Hebrew language, the school curriculum, Jewish *rites de passage* - circumcision of new-born males, Bar-and Bat Mitzvah - communion at the age of thirteen and twelve, and in most cases traditional weddings, observing Jewish holidays often within the family circle.
4. more freedom in choice of occupation.
5. A tendency of change from unlimited personal trust as an ideology, which meant no monitoring, to standard control tools and formal set of rules as in urban organisations.

In times of change some decisions made by committees may not be coherent with the Kibbutz principles and may cause a conflict. In the case of a conflict, there will either be a change in culture i.e. a change in one or more principles (decision wins), or the decision will not be followed (culture wins). In order to implement a change the Kibbutz has to assess the modifications needed. If the modification is acceptable and applicable, the change may be successful. Unacceptable or non-applicable modifications will lead to rejection of the change. The attitude of the interviewees leads to the conclusion that the Kibbutz can tolerate changes in the practical principles but not a deeper change. Even though the aggregate result of the change in the practical principles is a change in a basic principle (i.e. communalism) the changes tolerated more easily by the people are those in the practical principles. A deeper change will be a result of aggregate incremental changes in the practical principles. As an example we can look at the change in family status. Some people argued that the tendency of strengthening the family is against the Kibbutz principles and will, in the end, destroy the communal structure of the Kibbutz.

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According to the Tree Model, providing the proper physical conditions, moving to family sleeping should be a successful change with no effect on the Kibbutz as a Jewish, Zionist commune of total partnership, social justice etc. After years of arguments, family sleeping was implemented across the whole movement with limited effects on the social structure of the Kibbutz (chapters 4.3). Family connections grew stronger as well as parents-children relationship. In the short term no educational or any other impact can be identified. It is interesting to comment that the introduction of television in the family rooms had an effect not less and maybe more significant on the social structure of the Kibbutz than family sleeping of children, mainly in time spent in social activities including participating in public meetings.

Six dimensions of organisational culture proposed by Hofstede (1991) are applicable for characterising changes in the Kibbutz organisation.

i. process orientation vs. result orientation:

Profit became the purpose of business and not the process of 'doing work'.

v. Loose control vs., tight control:

Two directional change. Loosening control on private activities and tightening control on commercial and administrative functions.

vi. Normative vs. pragmatic orientation:

More readiness to accept pragmatic solutions. i.e. family sleeping, allowing private cars etc.

It can be assumed that having kept the root value and allowing changes in the trunk, the Kibbutz movement will go on changing to a more individualistic society as long as the socialist basis permits. This means trading some equality for more freedom. A certain amount of private property will be accepted and probably some measure of differential compensation will be introduced. The welfare and the social security of the members will be of highest importance. Means of production will remain commonly owned to maintain the socialistic basis. The Kibbutz will remain an ideology based society based on socialism and Judaism but the collective but the level of collectivism of the commune will decline.

### 15.3 Third Level Conclusions

The third level conclusions are the conclusions derived from this research are applicable beyond the boundaries of the Kibbutz movement. This research may be an example proving Bertalanffy assumption that a system can not remain closed if it wants to survive. Hence a culture within a culture is always influenced by the host culture (Bertalanfy 1968). Continuous contact with a surrounding socio-economic environment will engender a tendency to imitate the environment. The changes in the 'sub-culture' will affect the style of management style to resemble that of the environment.

When several open cultures are exposed to the influence of the same host culture they will move on similar trajectories of change. Certain patterns of the sub- cultures will change in the direction of the host culture. Each of the units of the sub-culture will probably select a different mix of changes and the decide the pace of change and the control of its limitations but the essence of the change will not be influenced. The change

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This research points at a problem of radical changes, as the issue of abandoning agriculture. All along the interviews people were willing to accept changes that were not contradicting their ideology. People often opposed changes which did not coincide with the ideology but tended to claim that their opposition is not ideology driven but rather pragmatic. People were ready to agree to radical changes in theory, but when presented with a practical situation would look for an excuse to oppose the change. Changes did occur when it was incremental accumulating into a radical change.

A community is ready to join forces and forgo the individual differences for a common goal which is very specific and not continuous. Establishing a state can qualify as such a target but maintaining it, unfortunately, does not. The history of the Kibbutz gives a reason to think that the passion of any start up can compensate for many hardships. A steady state of hardships and sacrifice without the 'start up passion' does not hold for long. Total equality, which needs sacrifice from some of the population, can therefore be

### 15.4 Subjects for Further Research

Bertrand Russell in his assay "In favour of Socialism" which was published in a collection by the name of "In Praise of Idleness" in 1934 anticipates the rise of the feminist movement. He describes the conditions necessary for the liberation of women. The conditions he describes are very similar to that of the modern Kibbutz. The conditions for women in the traditional Kibbutz are even more favourable for total equality. It is interesting to understand why, with such favourable conditions, women did not use the opportunity and the number of women in key positions is still very small. During the research I had the impression that Kibbutz members who were born in the Kibbutz have a different attitude to Kibbutz values than Kibbutz members who were born in the city. It is interesting to further check this impression and study the role of basic education and upbringing in the opinions as adults.

As mentioned in the previous two chapters different Kibbutzim of different cultures were exposed to the same environment and showed similar change processes. It is interesting to check other organisations or other 'cultures within cultures' to see if this conclusion is valid beyond the Kibbutz movement. Possibilities are the ultra orthodox community both in the US and in Israel. With some changes in the research it is interesting to check some commercial organisations with well defined culture such as Banks, fast food chains and food store chains. If such a research can reveal a similarity of changes in different organisations (such as the club card of Tesco which increased its income by an average of £3.0 M per day and is now part of consumerism culture) it can help anticipating the expected change and increase adaptability of organisations to changing environment. I will risk a claim that such an approach, even not research based, could have saved the great IBM a lot of problems.

expected change and increase adaptability of organisations to changing environment. I will risk a claim that such an approach, even not research based, could have saved the great IBM a lot of problems.

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