

## THE ECONOMIC DEVELOPMENT OF THE JEWISH PEOPLE<sup>1</sup>

### I.

**T**HE SOCIO-ECONOMIC structure of the Jewish people differs radically from that of other nations. Ours is an anomalous, abnormal structure. Stubborn Galut<sup>2</sup> champions have been wont to reject or ignore this truth. Recently, however, their eyes, too, have been opened; and although very few have been able to offer a satisfactory analysis of our economic abnormalities, no serious student of Jewish life can ignore them.

The case of the Jewish people is analogous to that of the patient who has complained of sundry aches and pains for a number of years, but whose physician has not been able to arrive at any satisfactory diagnosis. There was no doubt about the patient's illness, but in the course of the illness the body developed some measure of resistance to it. As the years progressed and new resistances were built up, the character of the disease changed, new symptoms appeared, and the physician found himself in a continuous state of bewilderment. Likewise, the Jewish nation has not been a passive patient awaiting his inevitable demise. Resistance to the disease has appeared at various times. There has always been the normal effort to regain organic equilibrium. It was not unnatural therefore that the diagnoses of our social "doctors" varied with the morphology of the disease.

<sup>1</sup> Published in 1916 as a series of articles in the Poale Zion Yiddish weekly, *Der Yiddisher Kaempfer*, New York.

<sup>2</sup> *Galut*—exile, diaspora. In the geographic sense, it refers to all territories inhabited by Jews outside of Palestine. *Galut life* refers to the experiences, persecutions, mental reactions, mannerisms, customs, etc., of the Jews living outside of Palestine. *Galut champions* or adherents of *Galutism* refers to the philosophy and view of those who see the solution of the Jewish problem within the territories where Jews reside—excluding, minimizing, or opposing the idea of a Jewish homeland. There are various types of Galutists: the assimilationists, certain Yiddishists, cosmopolitans, extreme radicals, etc.

Some thirteen or fourteen years ago, one such diagnosis, devised by a group of Jewish Socialists, appeared under the name of *non-proletarianization*.† Its major thesis was that the Jewish proletariat cannot be proletarianized. The obvious contradiction contained in the proposition "that the Jewish proletariat cannot be proletarianized" led the Poale Zion, who were the first to develop this theory, to be also the first to renounce it. The Zionist-Socialists (the S. S.)<sup>8</sup> retained this illogical theory longest. However, they too attempted to remove some of its crudities by converting it into the "non-industrialization" theory.

Jacob Lestshinsky, the leading economist of the S. S., dedicated his book, *The Jewish Worker in Russia*, to the exposition of this theory. Its major thesis that "the Jewish worker cannot be industrialized" differed only slightly from its prototype. The book, like the principle around which it was built, was an indiscriminate mixture of sound ideas with grave errors.

It is absurd to assert that the Jewish worker cannot be "proletarianized". His being a worker is evidence of the fact that he has ceased to be an "owner", that he has placed his labor-power on the market, and has *ipso facto* become a member of the proletariat. The proposition, therefore, that Jewish workers cannot achieve their own proletarianization becomes an even greater absurdity when it comes from a *Jewish Socialist Labor Party*.

Nor is it less absurd to contend that Jewish labor cannot be industrialized. Jacob Lestshinsky complained (in the book mentioned above) that around 1897 there did not exist a single factory which employed a thousand Jewish workers. However, the very handbook of statistics (published by ICA<sup>4</sup>) on which he based his work told us (Vol. II, p. 77) of a tobacco factory in

† Commonly spelled "proletarianization".

<sup>8</sup> An influential faction in the Socialist-Zionist movement which split from the Russian Poale Zion. The S. S. were Socialist-Territorialists who opposed or were indifferent to Palestine as *the* territory for the Jewish Homeland. Their chief activity consisted in aiding Jewish immigration, believing as they did that the course of Jewish immigration would automatically determine the "territory" of the Jewish mass concentration. In America, this group was known as Socialist-Territorialists (S. T.) and among its leaders were Nachman Syrkin and Baruch Zuckerman. In 1909 the American S. T. merged with the Poale Zion.

<sup>4</sup> The abbreviated form of the "Jewish Colonization Association", founded by Baron De Hirsch in 1891 for the purpose of aiding Jewish immigration and colonization. It concentrates chiefly on the colonizing of Jews in Argentina.

Grodno, in the years 1898-99, in which 1,594 Jewish workers were employed. The same factory boasted a steam engine of 36 horse-power. Moreover, the literature of the general and Jewish labor movement in Russia contains detailed accounts of numerous strikes conducted by Jewish workers in the Russian Pale of Settlement.<sup>5</sup> The illegal literature of that period (1900-1905) records no less than fifty factories, each employing more than a hundred Jewish workers. The following outstanding examples are also worthy of notice: a millinery factory in Warsaw with 1,000 Jewish employees, a tobacco factory employing 500 Jews, and a glassware factory in Polonoje with 400 Jewish workers.

## II.

America opened to the Jewish immigrant even greater opportunities for work than the most highly developed industries in Eastern Europe. No statistics are available concerning Jewish factories in the United States, but of this we are certain: that Jewish labor in America,<sup>6</sup> which is concentrated almost exclusively in the needle industry (in contradistinction to greater diversification of employment in Russia), has definitely assumed the proportions of mass-production that characterize big business. In Paterson, N. J., for example, there are large textile factories with an enormous number of Jewish workers. In Chicago, Rosenwald's clothing shops employ several thousand Jewish laborers.

It remains true, however, that Jewish industries never attain the large-scale development achieved by non-Jewish industries. No Jewish factory, not even the largest, can compare with such gigantic enterprises as Krupp's iron works, or Ford's automobile factories. The Jewish entrepreneur never dreams of industries on this scale, nor does the Jewish laborer have any access to them.

To be sure, the Jewish masses do become *proletarianized*; Jewish labor does become industrialized. The process, however, is slow, and its development is limited and unilinear. Moreover, Jewish entrepreneurs seem to have a natural tendency to small-scale

<sup>5</sup> Certain areas largely in Southwestern Russia and in Poland designated in Czarist edicts of 1791 and 1882 as the sole areas where Jews could reside.

<sup>6</sup> Cf. Elsie Gluck's "Jewish Workers in the Trade Unions", *Jewish Frontier*, December, 1935.

production. S. O. Margolin, the economist, calls this tendency the *individualization of industry*. A Jew, possessing meager means, often decides to become a boss "on his own" under circumstances in which a Gentile will never dare undertake such a venture. The Jew will often establish a business or factory with negligible "capital" and thus become a "capitalist". The Gentile will more often choose to remain a "wage-slave" for his entire life, even when his savings are larger than those of his Jewish fellow worker. The enterprising spirit of the Jew is irrepressible. He refuses to remain a proletarian. He will grab at the first opportunity to advance to a higher rung on the social ladder.

This desire to achieve "success" is a deeply ingrained characteristic of the Jewish laboring masses. Tailors, shoemakers, and cigar-makers eagerly await the opportunity to rid themselves of their tools, and to climb into the higher strata of insurance, dentistry, medicine, law, or into an independent business. This continuous exodus of thousands from the ranks of Jewish labor, and the necessary influx of thousands to replace them, furnishes the explanation for the instability of the Jewish laboring masses.

These peculiar phenomena of Jewish labor have their roots in the general nature of our economic history.

It would be possible to formulate and explain clearly this uniqueness of the Jewish economic past and present, through recourse to the literature of the Poale Zion in Russia before and during the last decade, but we will base our analysis on literature much older than this. Let us begin with a distinction made by Aristotle, whom Marx frequently quotes with much respect (a distinction which Marxists unfortunately have forgotten or neglected). Aristotle distinguishes between two modes of gaining a livelihood: first, the livelihood gained from nature; and second, the livelihood gained from man. The farmer, mountaineer, or fisherman gains his livelihood from nature; the business man, the banker, or physician gains his from man.

In terms of this distinction, it is obvious that Jews, in contradistinction to all other nations, *derive their livelihood exclusively from man*.

We carry our analysis a bit further by availing ourselves of the economic theory of Otto Effertz.<sup>7</sup> He classifies human production on the basis of the share of labor and land (or elements derived directly from land) in it. If we use the farmer as an illustration, there can be no doubt that his work in producing a crop is both difficult and important; nevertheless, the part played by the soil in the production of the crop is greater than that of the human labor involved. The farmer tills, fertilizes, plows, sows, and in the end harvests; but ultimately it is nature that provides the most important factors in the production of the crop. On the other hand, the human labor involved in the production of a garment far exceeds the contributions of nature. The sheep and wool are the products of nature; but from the moment the shears sever the wool from the sheep's back, and on through the long process of cleaning, spinning, dyeing, and weaving, it is human labor exclusively that brings a piece of cloth to its completion. Nor has labor finished its task before the tailor cuts the cloth and tailors it into a suit of clothes. In this long succession, the contribution of nature is negligible in proportion to the overwhelming demands put on human labor.

In terms of this second distinction we discover that in Jewish production, again in contradistinction to that of all other nations, the proportion of human labor far exceeds the natural elements involved.

This analysis explains why Jewish economics is a "luft" economics and why Jewish life is a "luft" life. The term, *luft-mensch*, was Max Nordau's<sup>8</sup> contribution to our literature, and it expresses all too well the severance of Jewish labor from the soil. To be sure, no nation's economic life is founded on land alone. All economic life consists of both elements, land and labor.

<sup>7</sup> Otto Effertz's works may be classified as being between bourgeois and Marxian. His contributions were not essentially original, but his surplus value theory is considered as an improvement over Marx's.

<sup>8</sup> Max Nordau (1849-1923), the philosopher, was among the first to join Herzl in the founding of the Zionist Congress. An able orator, journalist, and leader, Nordau is particularly known in Jewish communal life for his addresses at the Zionist Congresses, depicting the tragic conditions of the Jews in the various countries.

Indeed, the development of industry is invariably accompanied by an increase in the element of human labor, and a proportional decrease in the elements of nature in production. Although the elements of soil and nature are decreasing in the economic life of other peoples, they are almost absent from Jewish production, which is built exclusively on human labor.

Further, within the labor element in production we should distinguish between physical labor and mental labor. It is a commonplace that in Jewish economic life occupations that require mental labor far outnumber those requiring physical labor. Of course, we must not overlook the fact that among other nations, too, the proportion of mental workers increases with the cultural development of the people. In the case of no other nation is the proportion as high as among the Jews.

The capitalist, or entrepreneur contributes *mental labor* to his enterprise. His work is that of organizing and managing the business. The wage-earner's contribution consists chiefly of *physical labor*. The natural gravitation of the Jew toward the occupations that require mental labor exemplifies the entreprenuring spirit which drives the Jewish laborer to become a small, but independent, business man. This so-called economic individualism is deeply rooted in the landless history of the Jewish people.

To recapitulate: two important phenomena may be observed in Jewish economic production:

- (1) The preponderance of the element of *human labor* over the elements of nature.
- (2) The preponderance of *mental labor* over *physical labor*.

### III.

The products of human enterprise are generally divided into three classifications:

- (1) Production goods, e. g., machines, raw materials, tools, etc.
- (2) Means of communication and transportation, e.g., railways, coaches, wagons, ships, telephone, telegraph, etc.
- (3) Consumers goods, e. g., food, clothing, houses, furniture, dishes, books, pictures, musical instruments, etc.

Within these classifications of human production, still further divisions may be made, using as a criterion the proximity of a product to, or its remoteness from, nature. The story of the pair of shoes begins with the farmer's raising and feeding the animal. Then come the slaughterer, the tanner, and the various other craftsmen of the leather industry whose task it is to refine the leather to a specific degree. Finally, out of the hands of the shoemaker emerges the finished product.

Accordingly, we must distinguish in production the following levels:

(1) The *primary level* of production, in which we include the branches of production nearest nature, e. g., agriculture, gardening, ranching, etc. Here the element of soil, or nature, is preponderant over that of the human labor.

(2) The level of *basic industry*, in which we include mining, quarrying, forestry, etc. On this level there is an increase in the proportion of human labor.

(3) The *secondary-middle level* of production. This level is even further removed from nature. It includes the metal, building, and textile industries.

(4) The *tertiary-middle level* of production. In this category we include the chemical industry, the lumber industry, the production of leather, paper, etc. Here we approach the level of the consumer and are still further removed from nature. The occupations of many Jews fall within this category.

(5) The *final level* of production, which includes the needle trades, baking, printing, etc., and serves the consumer directly. On this level we find the greatest concentration of traditional occupations of the Jew. Here the elements of soil and nature have vanished completely, and human labor is the only constituent.

In the light of this classification, let us see what information is obtainable from our statistical tables. In Table I, which is based on the Russian Census of 1897 and the Austrian Census of 1900, Jewish occupations are arranged in the order of their remoteness from nature. The table also furnishes us with the percentages that the Jews constitute in relation to the total num-

TABLE I.

Occupational Distribution of the Jews and Their Percentage in the Total Population of Those Occupations  
(Based on the Russian Census of 1897)

Level of Production	In The Russian Pale		In Galicia	
	Jews	Per Cent	Jews	Per Cent
<b>1. PRIMARY LEVEL OF PRODUCTION</b>				
Agriculture, gardening, cattle raising, etc.	35,822	0.6	47,996	1.5
<b>2. THE LEVEL OF BASIC INDUSTRY</b>				
Mountaineering, Mining	1,006	1.8	1,053	8.3
Quarrying and Digging	5,187	12.5	696	10.6
Forestry	3,200	12.4	928	10.6
Total	9,393	7.7	2,677	9.5
<b>3. THE SECONDARY MIDDLE LEVEL</b>				
Metal Industry	40,082	21.2	4,410	15.9
Textile Industry	33,200	19.0	1,421	14.7
Building Industry	37,136	18.9	3,110	13.0
Total	110,418	19.7	8,941	14.5
<b>4. THE TERTIARY MIDDLE LEVEL</b>				
Lumber Industry	41,359	27.2	4,229	18.1
Chemical Industry	6,514	34.1	1,430	37.9
Leather and Paper	20,446	43.9	1,938	39.2
Total	68,319	31.3	7,597	23.7
<b>5. FINAL LEVEL OF PRODUCTION</b>				
Foods	44,797	34.8	11,036	48.9
Liquors and Tobacco	23,548	38.3	22,981	70.8
Clothing and Hygienics	244,534	48.1	20,298	35.2
Printing, Etc.	18,996	53.9	450	21.4
Jewelry	5,240	66.5		
Total	337,115	45.5	54,765	47.7

TABLE II.

Comparison of Occupational Distribution of One Hundred Jews and One Hundred Non-Jews

Branches of Occupations	Italy 1901		Germany 1907		Austria 1900		Russian-Pale 1897		United States 1900	
	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews
1. Agriculture	0.3	53.3	1.3	33.1	12.8	58.1	2.5	53.0	10.0	35.7
2. Industry	8.7	22.4	21.9	37.4	27.5	22.3	36.2	14.6	48.4	24.4
3. Commerce and Transport	50.3	8.3	50.5	11.1	34.4	5.1	34.6	7.4	28.2	16.4
4. Servants	0.3	1.4	0.5	1.6	5.2	2.2	11.9	11.8	11.2	19.2
5. Professions, Social and Government	18.7	6.4	6.5	5.1	8.3	4.5	7.2	8.2	2.2	4.3
6. Unclassified	21.7	8.2	19.3	11.1	11.8	7.8	7.6	5.0		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

EDITOR'S NOTE—J. Lestshinsky has published the following comparable data in *Ekonomische Schriften*, Vol. I, 1930, Yiddish Scientific Institute, Vilna.

Occupational Distribution of World and European Jewry in Percentages

	A	B	C	D	E	F
	Agriculture	Industry	Commerce and Transportation	Professions and Government	Domestic Service and Unskilled Labor	Unclassified
World Jewry (15,800,000)	4.2	36.4	38.6	6.1	2.0	12.7
European Jewry (7,306,541)	5.5	32.8	41.9	6.1	1.6	12.1

It is also interesting to use Professor Salomon Goldelman's classification of the data ("Juedische Galuthwirtschaft", Prague) for the same occupational categories to compare the distributions of gainfully employed Jews and non-Jews in the European agricultural countries.

Year	Country	A		B		C		D		E		F	
		Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews	Jews	Non-Jews
1927	Soviet Russia	9.8	81.4	35.1	7.6	27.3	1.2	2.2	2.2	8.6	2.6	17.0	5.0
1921	Poland	9.8	80.7	32.2	7.7	35.1	1.5	2.7	1.7	4.4	2.3	15.8	6.1
1921	Carpathian Russia	27.7	74.9	25.7	8.5	24.5	0.7	3.4	2.0	5.0	3.3	13.7	10.6
1913	Roumania	2.5	82.3	42.5	7.0	37.9	1.9	3.5	1.8	3.2	2.0	10.4	5.0

Comparing the average occupational distribution of 100 Jews and non-Jews of the above countries we find the respective number of Jews and non-Jews to be: A—10.2 and 84.5; B—34.1 and 5.8; C—28.4 and 1.0, and D—2.8 and 1.4.

In the semi-agrarian territories (Hungary, 1920; Slovakia, 1921) the average occupational distribution of 100 Jews and non-Jews respectively was: A—5.6 and 61.6; B—29.9 and 18.0; C—43.7 and 3.3; D—2.8 and 32. In the industrial countries (Bohemia, 1921; Silesia, 1921; and Germany, 1907) the average occupational distribution of 100 Jews and non-Jews respectively was: A—1.6 and 33.4; B—23.4 and 38.4; C—52.6 and 7.6; D—0.9 and 3.7.

It should be remembered, of course, that the occupational distribution of the Jews in Russia has been changed considerably as a result of the two Five-Year plans. In Poland and Roumania a change occurred as a result of the boycott policies of those governments. The situation in Germany, too, has changed with the rise of Hitler and the corresponding mass emigration of German Jews.

The economic structure of American Jewry has as yet not been thoroughly investigated. From the materials that are available we know that its structure does not differ basically from that of European Jewry.

(The reader is referred to footnote 10, p. 73 for a study of the economic structure of the Jews in Palestine.)

bers employed in the various branches of production. The table reveals the following information:

(a) *Jewish occupations are remote from nature.* In Russia only 0.6% of those engaged in agriculture are Jews, and in Galicia only 1.5%.

(b) *The percentage of Jews in any level of production varies directly with its remoteness from nature.* On the level of basic industry, 8 to 9% of the laborers are Jews. On the secondary-middle level the percentage of Jews rises to between 15 and 20. In the tertiary-middle level it reaches 25 to 33%.

(c) On the final level of production Jewish labor represents 50% of the total; i. e., the Jews have their highest representation in occupations that are at the greatest distance from nature.

(d) The vast majority of non-Jews gain their livelihood from nature (in levels 1 and 2, i. e., agriculture and basic industry), whereas the majority of Jews earn their living directly from other men. In Russia and Galicia 70-80% of non-Jews earn their livelihood directly from nature; a similar percentage of the Jews earn theirs from men.

These figures are based on official government statistics. They incorporate no Zionist theories and are not motivated by the remotest concern with Jewish problems. The above are the writer's own classifications. He was compelled to make them for two reasons. Firstly, because occupations are classified differently in Russia and in Austria. Secondly, because the classifications of the government statisticians are too general; we find, for example, in these government statistics that large scale metallurgy, which rightfully belongs in class 3, and small metal work like that of the blacksmith, locksmith, or tinsmith, which rightfully belongs in class 5, are all in one category. Were official statistics anything better than the indiscriminate jumble that they actually are, they would display the economic condition of the Jewish people much more clearly. Even the veil of official figures, however, cannot obscure the prevailing law of Jewish economics, namely, *that the concentration of Jewish labor in any occupation varies directly with the remoteness of that occupation from nature.*

It is as if an inexorable whip of history were driving the Jews further and further away from soil and nature, and higher and higher into the insubstantial ether of social stratification; it is as if history had conspired never to liberate the Jews from the shackles of economic landlessness.

The story told by the figures of Table I (see page 66) is that of a people far removed from the most important, most influential, and most stable branches of production—far removed from the occupations which are at the hub of history. Instead of concentrating about the vital center of economic life, the Jews are scattered on its periphery. Obviously, the fate of society does not to any extent rest on the needle or tobacco industries. This superficiality of social life, which is made up of the give-and-take of finished goods, must draw its sustenance from labor in such central branches of production as agriculture, sheep raising, mining, railways, shipping, etc.

The moral of this story told by dry statistics is, that as long as the Jewish people remains remote from nature and basic industry, Jewish economic life will remain stagnant, Jewish culture will be at a low ebb, and the political welfare of the Jews will remain the plaything of chance. These figures force upon us the inevitable conclusion that in *international* Socialism, the class struggle, and the revolution, the part played by *Jewish* Socialism will be as insignificant as the Jewish needle and flatiron are when compared to the non-Jewish tractor, locomotive, or steamship.

Such is the chronic malady of Jewish history. Those who seek to strengthen the attachment of the Jews to the rarefied economic stratosphere of the Galut, those who seek comfort for the Jewish people in Exile songs and Exile hopes, merely help to perpetuate our chronic malady.

#### IV.

From this analysis of the chronic economic ailment of the Jewish people in terms of current concepts of economic theory, let us now pass to an analysis of the same group of phenomena in Marxian terms.

Marx divides modern capital into two categories: (1) *constant capital*, which consists of the means of production such as land, factory buildings, raw materials, coal, machines, implements, etc.; (2) *variable capital*, which consists of human labor-power. In the capital invested in any enterprise we must, therefore, according to Marx, distinguish between these two categories. The investment in rent, coal, machinery, freight, etc. is the constant part of the capital; the investment in salaries and wages is its variable portion.

All capital, both constant and variable, is, of course, created by human labor. Let us not fail to observe immediately that, since the number of Jews in the production of buildings, machines, means of communication, and raw materials is negligible, the Jews as a whole participate but little in the production and in the distribution of *constant capital*. Jewish labor is invested in the production of variable capital, and here, too, Jews are subject to competition on the part of non-Jewish labor.

The next step in our analysis is the observation that both kinds of capital are in a process of continual expansion. The rate of growth of constant capital, however, is greater than that of variable capital. In a developing technological economy the amount of work done by machinery constantly increases, at the expense of human labor. Workers are dropped as new machines are introduced into the process of production. This law, that *constant capital grows at the expense of variable capital*, is one of the most important generalizations in Marxian economic theory.

Marx establishes the fact that the machine displaces the worker, and that constant capital displaces variable capital. Since Jewish labor is concentrated exclusively in the production of variable capital, we must conclude that *Jewish labor is being increasingly displaced by non-Jewish labor*.

This is the obviously logical conclusion to which we are driven by Marx's economic theories. The failure of Marx's followers to observe this can be attributed only to their complete failure to examine Jewish economic conditions in the light of scientific principles. The development of technology will inevit-

ably throw Jewish workers out of employment. Jewish labor will inevitably remain technologically backward, because the machine is its most formidable enemy. And all this, in turn, can be explained only by the fact that the Jew is divorced from nature.

Fortunately, the displacement of Jewish labor is a slow process rather than a sudden catastrophe. In Europe, Jewish weavers, shoemakers, cabinet makers, and cigar makers are being gradually displaced by non-Jewish labor. With the introduction of the power-loom, Jewish weavers in Lodz and Bialystok have become almost entirely a thing of the past and non-Jewish labor operates the machines. The shoe industry in Warsaw and Odessa has passed through the same evolutionary process. The large tobacco factories in Russia are now almost entirely in the hands of Gentile labor.

The Jews are compelled to seek new work; and under this compulsion they migrate to the four corners of the earth, in search of opportunities to develop new industries. Even in the countries where Jews have most recently found a haven, however, they are relentlessly pursued by the spectre of displacement. In England, where Jews founded a large, modern needle industry, Jewish labor is being displaced by Gentile girls. In America, too, Jews are losing control of the needle trade of which they were the founders. Gradually, step by step, they are being eased out of their jobs in the American needle industry by the influx of Italians, Poles, Lithuanians, and Syrians.

As we proceed, it becomes more obvious that the Jewish economic structure is malformed because of its remoteness from nature. The so-called Jewish malady is a result of historic conditions, and is therefore chronic. It is well known that an organism afflicted by a chronic malady may survive for a long time. This is just what has happened to the Jewish national organism: it has adapted itself to this chronic ailment that has tortured it for almost two thousand years. But the Marxian analysis has brought to light another, and more disquieting, complication. It warns us that, under modern capitalism, the process of displacement will continue to aggravate our condition. After two thousand years,

our malady has ceased to be quiescent. It has become acute.

The landlessness of the Jewish people is the source of its malady and tragedy. We have no territory of our own, hence we are by necessity divorced from nature. Therefore, given the recently developed environment of capitalistic production and competition, this abnormal circumstance quite naturally assumes proportions of an acute and dangerous nature.

Table II will furnish us with the data on the efforts the Jewish nation has made to combat this disease.

In Italy, where the number of Jews is very small, their economic, political, and cultural conditions compare favorably with those of their brethren in any part of the world. Jews frequently occupy positions of importance in the political and intellectual life of the land. Our statistics, however, tell us a different story. The economic structure of Italian Jewry is one of the most abnormal and unproductive.<sup>9</sup> Agriculture is something almost totally foreign to the Italian Jew. Less than 9% of the Jews are engaged in industry; moreover, not as workers, but as entrepreneurs. Half of the Italian Jews are merchants. *Almost all Italian Jews obtain their income from the exploitation of foreign labor, chiefly in the non-basic industries.*

The situation in Germany is not much different. The number of Jews in Germany is twelve times the number in Italy. Their part in the political life of the country is less conspicuous. The economic picture of German Jewry, however, shows a larger proportion of productivity. As many as 22% are engaged in industry. Nevertheless, the major contribution of the Jews to the economic life of Germany is still that of capital used for exploitation.

Austria has twice as many Jews as Germany. Galicia, Bukovina, and Vienna are densely populated by Jews. Among these masses one observes an urge to return to productive, "natural" occupations. More than one-fourth of the Jews are engaged in industry, and in the majority of cases not as capitalists, but rather

<sup>9</sup> In Zionist literature, the terms *productive* and *unproductive* are used in a very special sense. They refer to presence in or absence from the basic industries rather than to an evaluation of economic or social usefulness.

as wage-earners and small-scale owners. Almost 13% of the Jews of Austria are engaged in agriculture. In general, then, we have a picture of a substantial number of Jews who have penetrated into the primary and basic levels of production.

In Russia, too, we can discern a similar return to productive occupations. Whereas in all other countries of Europe the Jew lives chiefly by commerce rather than industry, in Russia there is a greater tendency to industrialization. This development has been taking place despite the enormous obstacles imposed by the government. Despite the government restrictions that forbid the Jew to live in rural areas outside of the Pale of Settlement, we find many Jews forcing their way back to the soil, to nature.

A slow, but fundamental, revolution has been taking place in Jewish life. We have been witnessing the slow transition of the Jewish masses from unproductive to productive occupations. Emigration is the culminating point of this process. American statistics tell us that productive work has become the basis of Jewish economic life; and the Jewish proletariat, the true representative of Jewry.

No statistics are available concerning Palestine and the Argentine, but there is all reason to believe that in these two countries Jewish work has become even more productive, closer to nature and more deeply rooted in the soil than in the United States. And there is further reason to believe that in Palestine, with its Jewish colonies and Jewish agriculture, the economic position of the Jews is still more secure and less subject to the whims of chance.<sup>10</sup>

<sup>10</sup> That Borochof's predictions of a relatively more normal Jewish economic structure in Palestine was not a chance prophecy may be seen from the statistics listed below, published by H. Frumkin (*Jewish Frontier*, March, 1936).

	Providers Beginning 1936	%	Providers and Their Dependents	%
Agriculture .....	23,000	16.1	50,500	13.5
Building .....	19,000	13.3	49,600	13.2
Industry .....	35,000	24.5	89,500	23.9
Transport and Transit .....	8,500	5.9	25,000	6.6
Liberal Professions .....	13,500	9.4	31,800	8.5
Administration and Police .....	2,000	1.4	5,200	1.4
Commerce, Housework, Misc. ....	101,000	70.6	123,400	67.1
	42,000	29.4		32.0
	143,000	100.0	375,000	100.0

The diversity of Jewish labor may be seen from the following table showing the



For hundreds of years the Jewish masses have blindly searched for a way that will return them to nature, to the soil. At last we have found it. *Zionism is the way: Zionism is the logical, the natural consequence of the economic revolution* that has been going on within Jewish life for the past few hundred years. Even in the Galut, our people have been striving to turn to more "natural" and more productive occupations, but this radical change cannot come to its full fruition in the hostile atmosphere of the Galut.

*Zionism is the only movement capable of introducing reason, order, and discipline into Jewish life. Zionism is the only answer to the economic and historic need of the Jewish people.*

distribution of 98,636 members of the Histadrut (General Federation of Jewish Labor in Palestine) which embraces 80-85% of all Jewish workers in Palestine, as of January 1, 1937.

*Jews in agricultural settlements (private colonies):*

Male workers over 18 years of age	11,136	
Female workers over 18 years of age	3,426	
Housewives	4,646	
Working youth	899	
		20,107

*Jews in agricultural settlement (communal and cooperative colonies):*

Male workers over 18 years of age	6,044	
Female workers over 18 years of age	5,520	
Working youth	889	
		12,453

Total of Jews in agricultural settlements 32,560

*Jewish workers in cities:*

Construction	8,829	
Building materials	750	
Painters	1,149	
Quarrymen	457	
Stone dressers	179	
Metal and electricity	4,678	
Woodworkers	2,334	
Stevedores and other port workers	2,146	
Railway, postal and telegraph	489	
Leather workers	655	
Weavers	795	
Needle workers	1,266	
Baking, meat, and food	1,677	
Printing and paper boxes	1,030	
Various factories	2,222	
Restaurant and hotel	1,802	
Domestic services	1,633	
Clerks, etc.	4,985	
Art workers	290	
Janitors, guards, policemen	420	
Engineers and technicians	557	
Teachers and kindergartens	562	
Medical workers	1,877	
Agriculturalists and gardeners	492	
Housewives	15,704	
Working youth	889	
Unclassified	7,751	
		66,076
		98,636

## "JEWISH ANTI-SEMITISM"

IT IS a well-known and tragic fact that many a Jewish worker who has slaved away for years in a growing Jewish industry awakes one fine morning to find himself ruthlessly displaced by a non-Jew from the very factory to which he has given so much of his sweat and blood. This problem becomes particularly acute when the industrialist introduces modern methods of production, that is, when he substitutes machine labor for hand labor. It has become almost axiomatic that Jewish workers are not privileged to work at the machines but are doomed to hand-labor.

Our movement (the Poale Zion), as early as ten years ago, called attention to this phenomenon in Jewish life. Another faction which to this very day considers itself the "sole representative" of the Jewish labor movement (the *Bund*<sup>2</sup>) mocked the Poale Zion and heaped ridicule upon our thoughts and actions. But contemporary life has demonstrated the correctness of our

<sup>1</sup> An uncompleted manuscript written sometime before the World War under the title, "What Can Be Done to Check Discrimination."

<sup>2</sup> The General Jewish Workers' Alliance, the *Bund*, was organized in 1897. At first it was affiliated with the Russian Social-Democratic Party but soon withdrew, because of the latter's attitude toward nationality sections. The *Bund* embraced workers' groups in Russia, Poland, and Lithuania. When first organized, its chief Jewish characteristic was that it employed Yiddish—the most convenient language in which to carry on propaganda among Jewish labor. The basic tenet from which it has not deviated to this date is that the Jewish problem must necessarily await the advent of Socialism, which will automatically solve it. Hence it considers the Jewish problem of sectional rather than international importance. From this arises its bitter opposition to territorialism, and particularly to Zionism.

In the course of the development of the *Bund* it has greatly modified its attitude toward nationalism. It no longer considers itself to be merely a Yiddish-speaking Socialist group; it has embodied in its program Jewish culture and Jewish national minority rights, though it is still opposed to Hebrew.

The accomplishments of the *Bund* are not to be minimized. It was the first Jewish labor party to organize the Jewish worker for his political and economic struggle. "The Jewish labor movement will erect in honor of the great accomplishments of the *Bund* a great memorial—in Jerusalem," said Borochov.

However, its failure to discover the root of the Jewish problem and its fomenting of antagonism to Palestine are undermining its position. Outside of Poland, the *Bund* now plays an insignificant role.