

CHAPTER 2

THE CLASS STRUGGLE AND ITS PLACE IN THE BUILDING OF THE COUNTRY

1. CLASS INDEPENDENCE AND DUAL RESPONSIBILITY

The integration of class-struggle with the building of the country is one of the two pillars on which the Histadrut stands. This integration of class-struggle with the furthering of the country's upbuilding is the very basis of our existence. Despite the vital importance of this problem in the life of the country, the three working-class parties agreed not to include this question in the government's founding tenets, on the understanding that it was a matter to be dealt with by the Histadrut. It was agreed by the three parties who were responsible for drawing up the basic tenets of the present government that questions affecting the class-struggle would be subject to Histadrut authority.

Not many months have passed since the establishment of the present coalition but, already, a number of problems concerning the relations between the workers and the employers, such as the wage-freeze, labour proficiency, fair distribution of taxes etc., have come to the center of government attention. The economic ministries are very deeply involved in these problems.

It is not surprising that the problems which are chiefly the concern of the Histadrut also receive close government

attention, nor is there any reason to oppose such a tendency. MAPAM has never overlooked the close connection between class-struggle and the building of the country. As far back as the pre-state years we saw no contradiction between class-solidarity, which expresses itself in membership, and support for the Histadrut and national solidarity for the furtherance of colonisation and constructive activity, which is expressed through membership and support of the Zionist Organisation. With the foundation of the State, certain of the decisive functions connected with the absorption of immigration and constructive work passed into the hands of government offices. The integration of class struggle with the upbuilding of the country is no less essential to-day, and perhaps even more so, than in previous times. Whether these functions of immigration, colonisation and construction come under the aegis of the Zionist Organisation or of the government of Israel is immaterial. As in pre-state years when we firmly rejected all attempts at introducing compulsory arbitration in interclass disputes and fought for the freedom of wage and class-struggle, so to-day are we no less determined to guard the sacred right of untrammelled class-struggle, which is the very lifeblood of the Histadrut. Mapai leaders are to-day once again putting out feelers to introduce compulsory arbitration. We will reject these attempts no less vigorously than we did the Ben Gurion-Jabotinsky agreement which included similar provisions.

MAPAI leaders, standing at the head of the government and the Histadrut, have more than once utilized the close connection between class-struggle and the development of the country as an excuse for interfering with the trade-union activities of the workers. A good case in point was the struggle of MAPAI leaders both in the government and the Histadrut to prevent any rise in wages. In this struggle, we were opposed to the matter

being taken out of the hands of the Histadrut and being passed to the Government. Despite enormous pressure we were successful in our resistance. A similar case, although much more serious, occurred during the Ata Textile Plant strike, when MAPAI did not hesitate to take the entire conduct of the strike out of the hands of the workers and their direct representatives. With unprecedented provocation, MAPAI divested the local Histadrut institutions (the Workers' Committee and the Haifa Workers' Council) of all responsibility for the strike, which was then dealt with by the party institutions of MAPAI and by the MAPAI economic ministers. An attempt was even made to enroll the Prime Minister as sole arbitrator. We had returned to the days of the Ben Gurion-Jabotinsky agreement.

2. WILL ACHDUTH-AVODA LEARN THE LESSON?

It must be acknowledged that at critical moments of our struggle Achduth Avoda joined forces with us, but only after much hesitation. Cases in point were the struggle for a wage increase and the Ata strike.

In these theses for the coming Party Convention it is not my intention to enter into discussions with the various political parties. Where such a discussion is essential I have kept it within the limits of the chief points of discussion. In this context, I must devote a few words to the strange behaviour of Achduth Avoda, which despite the similarity in slogans affecting the vital interests of the working class, has seen fit to pursue a policy of non-cooperation with our party.

It appears obvious that we are not on the eve of fundamental changes in the mutual relations among the working class parties. The contradictions and differences of policy

have given to each party a character of its own. All attempts to live in harmony failed precisely for these two reasons. The outcome was first a split between MAPAI and Achduth Avoda, and afterwards between MAPAM and Achduth Avoda. The situation at present is such that we must accept these contradictions and differences among the various workers' parties as established facts which cannot be overcome merely by wishful thinking.

Although the attempts at unity failed, the political situation demands, above all, cooperation between the working class Zionist parties. Despite various retreats from solidarity and cooperation, motivated by narrow party interests, the reality of Israel and the historical forces governing our fate and future have eventually succeeded in bringing the waverers back in line.

Strange as it may seem, even after the split between Achduth Avoda and ourselves, national and class interests demanded the maximum cooperation between the two parties. As is well-known, the contradictions between the two stem from the special character of Achduth Avoda. Bitter experience has taught us how important considerations of prestige and competition were in influencing Achduth Avoda to leave MAPAM. To our regret, even now, after the split, the concrete positions adopted by the two parties do not always determine the mutual relations between them. Considerations of prestige and competition play an exaggerated role in Achduth Avoda, and sometimes become even decisive. Even after the split we continue, in theory, to cooperate in the Peace Movement; in theory, both of us struggle for trade-union rights and for the independence of the working class; in theory, it is natural that Achduth Avoda should be as sensitive as we are to the bureaucratic domination of MAPAI by dint of the 57% of the votes which they won in the last Histadrut elections. Notwithstanding these common

interests there is something two-faced in this party's attitude towards us. The instinct of prestige and competition drives Achdut Avoda into agreements with MAPAI which, while injuring MAPAM, in the long run also injure themselves. More than once they have involved themselves in complications through agreements made behind our back in the government and Histadrut. When fateful decisions are made involving the whole future of the Histadrut, only then does Achdut Avoda wake up. The working class would be spared many of the surprises which MAPAI springs on it, were the representatives of Achdut Avoda to cooperate with us wholeheartedly.

Months and months of cooperation between MAPAI and Achdut Avoda pass by when, suddenly, the latter themselves begin to feel the antagonism and discrimination which has been the daily lot of MAPAM at the hands of MAPAI. Only when things have reached such a stage of crisis and shock does Achdut Avoda raise the alarm. They supported the collective agreement between the Histadrut and the manufacturers despite the fact that it contained a clause on the right of dismissal which gave partial justification to efficiency dismissals which Achdut Avoda itself fought against in the Ata strike. MAPAI's infringement of the common stand of the working class Zionist parties at the time of the Ata strike, and its attempt to introduce Ben Gurion as the sole arbitrator, once again made it clear to Achdut Avoda what the position really was. So long as the only victim was MAPAM, Achdut Avoda was not unduly worried. Will the party then learn a lesson from the experiences of the Ata strike? Will it be prepared to stand up together with us in defence of the most elementary rights of the working class, not only in times of crises and upheaval but also in the less exciting day-to-day struggle?

The existence of three separate working class parties

means that only a joint stand on the part of MAPAM and Achdut Avoda is capable of thwarting MAPAI and of maintaining the solidarity of the working class. Achdut Avoda's refusal to appear jointly with us on matters in which both parties maintain the same attitude, strengthens the obduracy of MAPAI and increases its desire for unlimited domination. *Let us make it quite clear: with or without Achdut Avoda, nothing will prevent us from being the spokesmen of workers' privation. We will stand at the head of the worker's struggle for his self-respect, permanent work, a decent standard of living and a just division of social responsibility.*

3. ONE HUNDRED PERCENT CONTROL — FIFTY SEVEN PERCENT OF THE VOTES

On the surface, there exist conditions in the Histadrut for cooperation in bearing responsibility. The various functions of the Histadrut have been divided among the parties, which are responsible for departments and fields of activity by no means unimportant. Even the most cursory examination proves, however, how very precarious these arrangements are. The main functions, organisational, economic and cultural are concentrated in the hands of MAPAI. MAPAI is particularly careful in ensuring that direct contact between the workers and the employers is made only through representatives of that party. What MAPAI did not succeed in achieving in the framework of the State, it succeeded in introducing in the Histadrut. The system of elections in the Histadrut is undemocratic and is the very opposite of proportional representation. Strange as it may seem, the other parties in the Histadrut have for years reconciled themselves to a distortion of democracy which, by means of "personal" elections, enables MAPAI to maintain almost 100% domina-

tion in the various workers' committees. While the central institutions of the Histadrut are elected on a basis of proportional representation, in the workers' committees, where the day-to-day struggle of the worker for better conditions is carried on, MAPAI, which represents not more than 57% of the members in the Histadrut, has a virtual monopoly. Workers belonging to other parties are deprived of representation in the workers' committees.

4. THE WEAK SIDE OF MAPAI'S RULE

MAPAI's methods will not stand it in good stead indefinitely. Their weakness lies in the bureaucratic neglect of the workers' needs. In many big work centers—for example the Israeli Electric Company—MAPAI is no longer sure of its dominance, despite many years of almost complete power. Even within the party itself, the power of authority is not what it used to be. Although a large section of the MAPAI membership is to be found among the numerous officials of the government, national institutions, Histadrut, municipalities, etc., there are still many workers and members of agricultural settlements organised within the ranks of the party. Workers are always able to discern that which helps them and that which hinders them and it not infrequently happens that the vital interests of the workers pierce the walls of party discipline. An example of this occurred three years ago at the "Vulcan" Foundry where MAPAM organised a strike against efficiency dismissals. The strike was successful, despite MAPAI's monopoly of the local workers' committee. Something similar occurred recently in the Ata-strike. In the first days of the strike, the MAPAI leaders in Haifa cooperated with us, but afterwards they succumbed to pressure from above and the strike was taken out of their hands. The firm stand of

our party and Achdut Avoda prevented MAPAI from accepting the employer's demands to introduce efficiency dismissals.

5. THE GROWING FAITH IN MAPAM

In summing up the experiences of the last few years of our trade union struggle, both before and during our membership in the coalition, we can truthfully say that working class faith in the party has been strengthened. The workers feel that under no circumstances will we ever jettison their vital interests. What is taken for granted by every member of MAPAM, is penetrating the consciousness of the Israeli working class as a whole. *Israel's workers know full well that if our party must choose between cooperation with MAPAI in a policy inimical to the working class and an independent struggle for the workers' rights, it will not hesitate to choose the latter.* National and security requirements have, on occasion, demanded our acquiescence in a government policy which was not always to our liking. In such cases national and security dangers made it imperative for us to maintain a policy of cooperation despite very serious reservations. *We will under no circumstances, however, accept a policy which is antagonistic to the most elementary needs of the working class. A blow against the interests of the working class is a blow against the whole colonisation movement and the class struggle. We will not be a party to any steps which will weaken or destroy the colonisation movement or the class struggle — the two pillars upon which our country stands or falls.*

6. THE POWER OF CLASS STRUGGLE INTEGRATED WITH THE BUILDING OF OUR COUNTRY

Borochov regarded the class struggle as the special and all-embracing mission of the working class in the process of our people's concentration in the homeland. In the course of time it was understood by Borochov, and particularly by his followers and pupils, that the class struggle also includes the fight for independent colonisation of the working class. We must not ignore the fact that, even so, Borochov still regarded the bourgeoisie as the main factor in the production and accumulation of assets. Since then much has changed. All followers of Borochov are to-day united in accepting the synthesis of class struggle and the up-building of the country. No Borochovist worthy of the name will to-day deny the necessity of this process, nor the recognition that it is the mainspring of the process of territorial concentration. *The great contribution of the class struggle in the up-building of the country expresses itself, first and foremost, in the fight for the stabilisation and enrootment of the settler and the hired worker. The struggle for a secure existence and standard of life for the worker and settler guarantees that manual labour will become permanently fixed in our country and handed down from generation to generation.* If we will reach a stage of millions firmly entrenched in the various branches of work, productive labour becoming a family heritage, then we shall have laid a solid foundation for the establishment of a healthy and productive people in our country and will have paved the way for its full national and social emancipation. *If we will not succeed in productivising our people, then this defect, together with possible retreat to typical Galut occupations owing to material distress and social degradation, will*

sooner or later threaten the whole future of the "Ingathering of the Exiles." Israel may become merely a special version of the Galut. The new immigrant will not be prepared to work all his life, and even less so to encourage his sons to do likewise, unless he is sure of making a decent living without fear of the future. Unless such will be the case, the same process of deproletarianisation which took place among the Jews in America will happen in Israel. Each successive wave of immigration will learn from its predecessor, that physical and manual labour are in the nature of an imposition and must be dispensed with as soon as possible in favour of more "respectable" occupations. This attitude becomes prevalent very quickly among the new European immigrants, and sooner or later will be adopted by the Jews from the Eastern countries as well.

7. INCREASING THE PRODUCTIVITY OF LABOUR

Not only have we to guarantee a decent standard of life for the worker but we must also strive for a high productivity of labour and a positive attitude to work. We are no longer living in the days when A. D. Gordon preached his theory of the "Religion of Labour". It is essential, however, that the same moral attitude and pride in work, which so typified the beginnings of the working class in Israel, find their place in the life of the working class today. The last few years have witnessed an alarming deterioration in the attitude towards physical labour, which can be accounted for in no small measure by the drop in chaltz fervour, deproletarianisation in the towns and the tendency to leave the border kibbutzim in favour of a university career. The difficulty lies in the fact that values of this nature cannot be implanted in the minds of the people merely by means of speeches and exhortations, but must be

part and parcel of everyday life. An atmosphere very much different from the one prevailing today is needed. *We will not be able to inculcate a spirit of pride in work among thousands of workers in town and country unless we are able to satisfy the just demands for full employment and a decent wage.* This is certainly not something which can be attained by directives from above nor by one sided demands on the working class. Paradoxical as it may seem, several of the ministers dealing with economic affairs in a government, at the head of which stand the three working class parties, know full well how to maintain almost complete economic liberalism in everything pertaining to capital and capitalists, while at the same time maintaining rigid economic control on all matters affecting wages, labour productivity and the price of agricultural produce from the workers' settlements.

8. PRODUCTIVE PRIVATE CAPITAL AS OPPOSED TO PRIVATE SPECULATION

In order to avoid any misunderstandings, we repeat that we are not opposed to private initiative, providing it is not engaged in speculation. There is another type of private initiative other than that which claims to represent the Israeli bourgeoisie. Private initiative of the right sort can certainly be mobilised for the development of the country's productive forces. We understand full well that private capital will not be invested in development schemes merely on a basis of philanthropy. *Any government and regime, be it of the most chalutz character and dealing seriously with the problems of developing the country, would be prepared to guarantee adequate profits for private capital to the extent that it would be invested in development schemes. A government consisting solely of Socialist*

Zionist parties would without doubt follow an identical policy.

Jewish capitalists outside Israel who intend to invest in the country are fully aware of the above-written; we sometimes come across interesting cases of private capitalists outside Israel, desirous of serious production and not just speculation and easy profits, who are not so impressed with the leaders of private initiative in our country and who prefer to cooperate with the economic enterprises of the working class. They have more faith in this government, predominantly working class that it is, than they had in the previous coalition between MAPAI and the representatives of the reactionary bourgeois speculators.

To our regret, even now, our country is a sort of Garden of Eden for these bourgeois speculators. There is no proper control whatsoever on the profits of the importers or on the monopolies. Although income-tax now covers the majority of the capitalist class, which in the past concealed the larger part of its income from the eyes of the Treasury and are now forced to pay at least part of what they owe, there is still a good deal of tax-evasion and smuggling of capital abroad.

A taxation system whose job it is to see that the burden of taxation is fairly distributed among the different sections of the community and particularly on those with means, has not yet been properly developed. Property tax has to be introduced and a different proportion adopted between direct and indirect taxes. Income-tax scales have to be re-adjusted in order that the burden be shouldered mainly by those with large incomes. The existing regime in our country has succeeded, since the foundation of the State, in fostering a sector of millionaires who became rich through trade, sometimes even with enterprises belonging to the workers or to the national institutions. They accumulated maximum

profits from exports and imports. In this race for profits based on speculation, a considerable part was played by the banks and numerous sorts of usurers. The present government has introduced certain changes but the position remains fundamentally the same.

9. THE STRUGGLE FOR SOCIAL EQUALITY

The Knesset has recently passed a law against black-market rates of interest, but the law has not yet been put into effect properly. Only half hearted measures have been adopted against excessive profiteering, blackmarket rates of interest, cartel and monopolies, tax-evasion and the smuggling of capital abroad. On the other hand the full force of Government and Histadrut authority have been applied in maintaining the wage-freeze and in increasing the social burden on the working class.

The present Knesset will remain in office for another two years, during which time MAPAM must struggle firmly for the realisation of those points included in the government's founding programme, such as the promise of social equality and a just distribution of taxation among the different classes. Once again I want to emphasize that the present government is, from every point of view, including the social, better than its predecessors and at the end of its term of office, will be able to report on definite achievements. In these two spheres, however, the introduction of a chaltz regime and the defense of the interests of the working masses — both of which form the basis of all our work and aspirations, the degree of progress made is completely inadequate.

10. THE RELATIONSHIP BETWEEN CAPITAL AND LABOUR AND BETWEEN PROFITS AND WAGES

This weighty subject is worthy of further investigation before we draw our conclusions.

I am aware that this is the root of dissension between ourselves and the MAPAI ministers dealing with economic affairs. They too, from time to time, join the chorus of lamenters who bewail the dangers of a drop in industrial profitability, due allegedly to high wages and low output of labour. As far as efficiency dismissals are concerned, they are prepared to meet the employers halfway. The leading exponent of such a policy was the Treasury's expert, Prof. Aba Lerner, invited from America. He never tired of predicting galloping inflation and the country's economic bankruptcy. The professor had his panacea for these terrible dangers — increasing the burden on the working class. He and his pupils claimed to be able to guarantee the competitive ability of the country's economy and its profitability, by reducing the worker's standard of living. Let us turn to the most authoritative sources in order to test the truth of this claim.

The calculations made by the Government Investment Center are very instructive on this point. They deal with the percentage of each component in the process of production as exemplified by the industrial enterprises approved by the Center. The survey included 60% of those approved enterprises which are already engaged in full production. All of them, naturally, are new. They form 2.4% of all industrial enterprises but they employ 14.4% of all industrial workers and their production amounts to 21% of the total industrial output. The following table shows the value of the different components in production :

Price of raw materials, packaging materials, fuel and electricity	54.5%
Amortisation of equipment & buildings	6.0%
General expenses (incl. interest)	3.5%
Wages	20.0%
Net profit	16.0%
<hr/> Total	<hr/> 100.0%

The above figures do not, of course, reflect the position in all industrial undertakings, be they of private capital or belonging to the public sector (government, Histadrut, kibbutz movement, etc.). Not in every undertaking do we find the same astonishing proportion between wages (20%) and net profits (16%). Generally speaking, industry has no cause for complaint. The firms included in the above survey, all of them being undertakings approved by the Government Investment Center, accumulate net profits to the value of 16%, although as new undertakings they will have to invest larger sums of money and allocate a higher percentage for amortisation and general expenses than is the case with older established undertakings. On the other hand, a section of the older established industrial enterprises profited by the difference in currency exchange rates. They accumulated large stocks which were bought at the former cheap rate of 350 prutot (IL 0.350) to the dollar. Apart from all this, there is no other branch of production which benefits so much from credit concessions, export bonuses, profits due to different rates of exchange and various other government services. In short it can be said, that the major part of industry is earning more or less maximum profits. If from enterprises employing 21% of the total number of industrial workers, a handful of capitalists are able to accumulate 16% net profit of the total value of production in comparison to 20% paid in wages to thousands of workers, it becomes abundantly

clear that we have a situation which completely contradicts the so-called "scientific" theories and arguments of official economists.

In view of the comparison made above between profits and wages, can there be a grain of logic or sincerity in the "scientific" explanations offered us by these economists?

Those who claim that the full responsibility for economic profit ability lies on the shoulders of the workers and who argue that wages are the root of inflation and all other evils, conveniently ignore the above facts. They overlook the fact that the workers employed in the private sector together with those wage earners who are not workers, do not account for more than 31.2% of the total working population, in comparison to 18.7% in the working class agricultural settlements and cooperatives, and 41.3% in Histadrut and public enterprises. We draw from this examination that:

- 1) Those workers directly fighting the class struggle in the private sector are a minority of the working class;
- 2) Close to 60% of the membership of the Histadrut is employed in working class agricultural settlements and in the Histadrut sector of the country's economy;
- 3) In regard to about 50% of wage earners, the Histadrut appears directly or indirectly as an employer. *It must therefore be stressed that in dealing with the existing class relations in our country we must take into account the special character of these relations due to the existence of working class colonisation and hegemony.*

11. THE ADVANTAGES OF THE HISTADRUT ECONOMY

Despite our just criticism of the trade-union policy of the majority party in the Histadrut and in the country as

a whole, we cannot overlook the social and class achievements which the Histadrut has gained in the course of many years of class struggle and economic activity. If we compare the relation between profits and wages, the great advantage of the Histadrut over the private sector becomes clear. A comparison between the wages and social benefits paid by Histadrut undertakings and those paid by the private sector shows monthly a difference of 24—34 Israeli pounds. In 1956 the average monthly wage in Histadrut industry was 254 pounds (incl. bonuses and overtime) and in private industry amounted to 220—230 pounds. The various social benefits accounted for 40—44% of the wages paid in Histadrut industry, while in private industry this amounted only to 28—30%.

In addition to maintaining a higher level of wages and social benefits, the Histadrut carries on production at a higher technical level. The major part of heavy industry is in the hands of the Histadrut. It is precisely this type of industry which demands courage and initiative and the preparedness and ability to learn from one's mistakes. In contrast to the economic initiative and force of Histadrut industry, private capital is more attracted to those branches of the economy which offer prospects of quick high profits. Instead of seeking to achieve a fair profit by means of technical improvement and improved quality of the product, the cartels and monopolies accumulate unfair profits by combining against the consumer. The cartels and monopolies have, to a large degree, assumed the character of speculators. There was a time when there were private industrialists prepared to tread unknown paths, but in the course of the last few years privately owned heavy-industry enterprises have been sold to "Solet Boneh" and "Hamashbir", both belonging to the Histadrut. The capital paid into private hands has, as a rule, not been invested in productive under-

taking but into more "profitable" enterprises, frequently of a parasitical character.

12. THE INFLUENCE OF COLONISATION AND WORKING CLASS HEGEMONY ON THE RELATIONS BETWEEN LABOUR AND CAPITAL

In any discussion of class relations in Israel we must take into account its special character as a country of colonisation and the special character of a community gathered together in its homeland under the imprint of working class hegemony. Despite the just criticism made in these theses of the trade-union and economic policy of the majority party in the Histadrut and in the country as a whole, we cannot overlook the social and class achievements which the Histadrut has gained in the course of many years of trade-union struggle and economic activity.

The dynamic economic force and ability to absorb and develop which is so typical of Histadrut industry is to be found to an even greater extent in working class agricultural colonisation as a whole and in the kibbutz movement in particular. In the previous chapter we described how the kibbutzim expanded to the extent of 11% over and above the capital invested in them by the national institutions. Part of this growth can be accounted for by the use of reserves or profits and partly by credits from various sources. In direct contrast, a great part of the profits accruing to private industry was not plowed back, but was used for speculation or was wasted on imports of luxury goods. Part of it was smuggled abroad. It is impossible to imagine Histadrut reserves and profits being used in a like manner. They are sacred to the cause of further economic development.

13. IS THE CLASS STRUGGLE POSSIBLE IN A FRAMEWORK OF THE HISTADRUT ECONOMY ?

In the conclusion to § 23 of the first part of these theses, which dealt with the factors making for an advance towards the victory of socialism in Israel, I mentioned the nationalisation of land, the kibbutz settlements and the Histadrut economy. From a social and national point of view, the above mentioned factors bear a chalutz character and in conjunction with other factors such as the class struggle, international solidarity, growing political and economic independence, the progress of international socialism etc., will pave the way to the victory of socialism in our country.

Are we justified in excluding Histadrut industry from the sphere of class struggle, and limiting the struggle for the worker's rights solely to the private sector ?

The truth is that despite all its advantages Histadrut industry is not entirely free of the interests of employers as a whole and from various other negative aspects resulting from MAPAI's policy. Their interests as employers sometimes encourage Histadrut enterprises to embark upon a policy of accumulating reserves or of bureaucratic inefficiency at the expense of the worker's living conditions and interests. To our regret it was a Histadrut firm "Vulcan" which was the first to attempt to introduce efficiency dismissals. Owing to MAPAI's policy there is no participation on the part of the workers in the management and no supervision from above, other than that of MAPAI. The other parties of the Histadrut have no possibility whatsoever to ensure maximum efficiency free from all party interests. Discrimination is practised in accepting new workers. There is no adequate control over management austerity in administration or

over corruption. Practically the whole apparatus consists of members of the majority party. Were the industrial enterprises of the Histadrut to serve as an example to private industry in matters concerning stability of employment, social conditions, unbureaucratic and efficient business methods, absence of party discrimination etc., the problem of strikes in the Histadrut enterprises would not exist. The workers would have no need of recourse to such means. If, on the other hand, the Histadrut enterprises try to be the pioneers of efficiency dismissals, as was the case in "Vulcan" a few years ago, then we must without hesitation urge the workers to defend their rights, even, if necessary, by declaring a strike in a Histadrut enterprise.

We are not prepared to let MAPAI officials maintain a system of double bookkeeping. Those who glorify strikes in Poznan (Poland) and declare them to be a supreme example of the workers' struggle for bread and freedom, must understand that what is permissible in a workers' state such as Poland and Hungary, is certainly no less permissible in a Histadrut-state, in Israel. Pioneering efforts are required both in these countries and in our own, but under no circumstances can the exploitation of the chalutz spirit, resulting in social and material degradation, be tolerated. Neither here in Israel, nor in Poland and Hungary will any development scheme succeed which is carried out at the expense of the workers' standard of living and their democratic rights.

14. WAGE-RISES AND INCREASED LABOUR-PROFICIENCY

Our party has the task of seeing to it that the class struggle of the worker is integrated in the upbuilding of the country, both in theory and practice. We have always

been careful to avoid the degeneration of the class struggle into narrow sectarian trade-unions. In fighting for the rights of the workers, we have never freed them from responsibility for labour proficiency and for the soundness of the country's economy. For these reasons we supported the establishment of production councils, although we continue to press for radical changes in the character of these councils and an extension of their authority. We do not accept the fact that the production councils content themselves solely with supervising the output of the worker and are not authorized to supervise the efficiency of the factory and the profits of the employers.

We reconciled ourselves to the system of bonuses in order to guarantee adequate output. Unfortunately, only a small part of industrial undertakings have a system of bonuses which will guarantee the worker his fair share in return for increased output. We demand that the wages of the worker be raised in proportion to the rise in output. Until now, it has been mainly the employers who benefit from the amazing increase in labour proficiency which we have witnessed in the last few years. The workers have been thrown a few crumbs. It was Histadrut industry which should have shown that a sincere interest in the wages and conditions of the workers is the best guarantee for increasing productivity and the soundness of the economy as a whole. It was their duty to show that the one is dependent upon the other. MAPAM, at all events, will not give up its fight for the mutual dependence of higher labour proficiency and better conditions of work.

15. IS AGREEMENT ON THE PROBLEMS OF LABOUR AND CAPITAL, WAGES AND PROFITS POSSIBLE BETWEEN THE ZIONIST WORKING CLASS PARTIES ?

According to authoritative sources, labour proficiency in industry rose from 100 in 1949 to 212.2 in 1956. Between 1955-56 proficiency rose from 189 to 212. This was the same year in which a bitter struggle was fought against the wage-freeze and against those who spread the legend that even a minimal improvement in wages would bring about inflation and economic collapse. Contrary to official economists, we are convinced that the vital interests of the workers go hand in hand with the struggle for economic progress and development. The absorption of immigrants would not be limited but on the contrary would be encouraged. Satisfying the vital needs of the masses increases their power of consumption. Broad sections of the community enjoying a greater degree of prosperity leads to increased production. There is no better way to increase the absorptive capacity of the country and to further our economic independence than this combination of class struggle and national upbuilding. Nothing will be gained if capital, concentrated in the hands of a few, adds a little more to profits, which in any case are mostly wasted on luxuries, on speculation or smuggled abroad. Nor will the Histadrut succeed in building up its enterprises on the basis of one percent more increase in profits at the expense of the workers' vital interests.

The task of MAPAM is to deepen the understanding among the workers and the Zionist working-class parties, with whom we cooperate in the Histadrut and in the government, of the necessity for the integration of class struggle with the development of the country. Despite differences

of approach there is no real reason why the Zionist working-class parties cannot reach a greater degree of mutual understanding than heretofore.

S U M M A R Y :

- 1) The principle of class-struggle combined with the up-building of the country demands an understanding of the inter-dependence between trade-union struggle and responsibility for labour proficiency and soundness of the country's economy;
- 2) In conducting the class struggle we must not lose sight of the special character of an economy which is absorbing immigrants and colonising the land. Likewise we must bear in mind the special character of the State under working class hegemony;
- 3) The struggle of the worker for a decent standard of life and for social rights is led by the independent organisation of the working class, the General Federation of Jewish Labour (Histadrut). Under conditions of immigration and colonisation, however, the government must play a decisive role in ensuring social justice among the different classes, in maintaining full employment, guaranteeing housing for immigrants and in responsibility for social security;
- 4) The working class movement in this country is vitally interested in the soundness of the country's economic set-up, whether private or public, agricultural or urban. This will not be attained at the expense of the standard of living and social privileges of the worker or by endangering his permanent employment. On the contrary, decent wages and social conditions for the workers are pre-conditions for increasing the proficiency of labour and the level of production;

5) MAPAM supports the existence of production councils but demands that they be given the right to supervise profits and technical and business efficiency. MAPAM will not oppose the bonus system, but will fight for a rise of wages commensurate with the rise in output;

6) MAPAM is opposed to limiting the trade-union struggle to the private sector only. Histadrut or public ownership of industrial and other enterprises does not free it of the same obligations to the workers as are demanded from the private sector. On the contrary, the Histadrut and public sectors must serve as an example of the interdependence of decent wages and increased profitability. The organised worker has the right to defend his social and trade-union rights wherever they are being attacked, be it by a private employer or by a Histadrut or publicly owned enterprise;

7) MAPAM must closely cooperate with those working class parties which are in favour of elections based on proportional representation and are opposed to the undemocratic and "personal" elections which are now the rule in the Histadrut which guarantee the complete domination of this body by MAPAI;

8) MAPAM appeals to Achdut Avoda to cooperate with it in defence of the vital interests of the workers, despite the latter party's constant vacillations and transgressions in carrying out its own slogans and declared policy;

9) MAPAM will pursue its struggle within the framework of the Histadrut. The party prefers concrete achievements rather than radical declarations which have no basis in reality. The party will strive to attain its aim through maximum cooperation with the parties responsible for the leadership of the Histadrut;

10) MAPAM will fight against the bureaucratic domination of the trade unions and the economic and other institutions of the Histadrut by the majority party MAPAI. We will condemn all attempts at pressure and terrorisation which the majority party uses in order to maintain its domination of the Histadrut and to defeat its rivals;

11) In the struggle for the vital interests of the worker — full employment, a decent standard of life, his full trade-union, social and democratic rights — MAPAM will guard its ideological and political independence, at the same time fostering class solidarity and joint participation in responsibility.