THE ECONOMIC DEVELOPMENT OF THE JEWISH PEOPLE

I.

THE SOCIO-ECONOMIC structure of the Jewish people differs radically from that of other nations. Ours is an anomalous, abnormal structure. Stubborn Galut 2 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.

1 Published in 1916 as a series of articles in the Poale Zion Yiddish weekly, Der Yiddische Kveempfer, New York.
2 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, melancholies, 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-proletarization.† Its major thesis was that the Jewish proletariat cannot be proletarized. The obvious contradiction contained in the proposition that the Jewish proletariat cannot be proletarized 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.)§ 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 “proletarized”. 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 proletarization 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*) on which he based his work told us (Vol. II, p. 77) of a tobacco factory in 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. 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 Polonoye 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,§ 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 proletarized; 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 enterprises largely in Southwestern Russia and in Poland designated in Czarist edicts of 1791 and 1862 as the sole areas where Jews could reside.

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 irresistible. He refuses to re-
main a proletarian. He will grab at the first opportunity to ad-
vance to a higher rung on the social ladder.

This desire to achieve "success" is a deeply ingrained character-
istic of the Jewish laboring masses. Tailors, shoemakers, and cig-
makers eagerly await the opportunity to rid themselves of their
tools, and to climb into the higher strata of insurance, den-
tistry, medicine, law, or into an independent business. This con-
tinuous 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 re-
course 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 con-
tradistinction to all other nations, derive their livelihood exclusively
from man.

We carry our analysis a bit further by availng ourselves of the
economic theory of Otto Effertz. 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 gar-
ment 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" econ-
omics and why Jewish life is a "luft" life. The term, *luft-
mensch*, was Max Nordau's 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.

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7 Otto Effertz's works may be classified as being between bourgeois and Marxist. His contributions were not essentially original, but his surplus value theory is con-
sidered as an improvement over Marx's.

8 Max Nordau (1849-1923), the philosopher, was among the first to join Herzl in the founding of the Zionist Congress. An able writer, journalist, and leader,
Nordau is particularly known in Jewish communal life for his addresses at the Zionist
Congress, 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 entrepreneurizing 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)

<table>
<thead>
<tr>
<th>Level of Production</th>
<th>In the Russian Pale</th>
<th>In Galicia</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jews</td>
<td>Per Cent</td>
</tr>
<tr>
<td>1. PRIMARY LEVEL OF PRODUCTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture, gardening, cattle raising, etc.</td>
<td>35,822</td>
<td>6.6</td>
</tr>
<tr>
<td>2. THE LEVEL OF BASIC INDUSTRY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mountaineering, Mining</td>
<td>1,006</td>
<td>1.8</td>
</tr>
<tr>
<td>Quarrying and Digging</td>
<td>5,187</td>
<td>12.5</td>
</tr>
<tr>
<td>Forestry</td>
<td>3,200</td>
<td>12.4</td>
</tr>
<tr>
<td>Total</td>
<td>39,393</td>
<td>7.7</td>
</tr>
<tr>
<td>3. THE SECONDARY MIDDLE LEVEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metal Industry</td>
<td>40,082</td>
<td>21.2</td>
</tr>
<tr>
<td>Textile Industry</td>
<td>33,200</td>
<td>19.0</td>
</tr>
<tr>
<td>Building Industry</td>
<td>37,156</td>
<td>18.9</td>
</tr>
<tr>
<td>Total</td>
<td>110,438</td>
<td>19.7</td>
</tr>
<tr>
<td>4. THE TERTIARY MIDDLE LEVEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lumber Industry</td>
<td>41,359</td>
<td>27.2</td>
</tr>
<tr>
<td>Chemical Industry</td>
<td>6,514</td>
<td>34.1</td>
</tr>
<tr>
<td>Leather and Paper</td>
<td>20,445</td>
<td>45.0</td>
</tr>
<tr>
<td>Total</td>
<td>68,319</td>
<td>31.1</td>
</tr>
<tr>
<td>5. FINAL LEVEL OF PRODUCTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foods</td>
<td>44,797</td>
<td>34.8</td>
</tr>
<tr>
<td>Liqueurs and Tobacco</td>
<td>23,458</td>
<td>38.3</td>
</tr>
<tr>
<td>Clothing and Hygiene</td>
<td>244,534</td>
<td>48.1</td>
</tr>
<tr>
<td>Printing, etc.</td>
<td>18,996</td>
<td>53.9</td>
</tr>
<tr>
<td>Jewelry</td>
<td>5,240</td>
<td>60.5</td>
</tr>
<tr>
<td>Total</td>
<td>337,113</td>
<td>43.5</td>
</tr>
</tbody>
</table>

Editor's Note—J. Lesthinsky has published the following comparable data in *Ekonomeische Schriften*, Vol. I, 1930, Yiddish Scientific Institute, Vilna.

Occupational Distribution of World and European Jewry in Percentages

<table>
<thead>
<tr>
<th>Area</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Commerce and Transportation</th>
<th>Professions and Domestic Service</th>
<th>Government and Unskilled Labor</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Jewry (15,800,000)</td>
<td>42</td>
<td>36.4</td>
<td>38.6</td>
<td>6.1</td>
<td>2.0</td>
</tr>
<tr>
<td>European Jewry (7,306,541)</td>
<td>55</td>
<td>32.8</td>
<td>41.9</td>
<td>6.1</td>
<td>1.6</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1927</td>
<td>Soviet Russia</td>
<td>9.8</td>
<td>81.5</td>
<td>35.1</td>
<td>7.6</td>
<td>27.3</td>
</tr>
<tr>
<td>1921</td>
<td>Poland</td>
<td>9.6</td>
<td>80.7</td>
<td>35.2</td>
<td>7.7</td>
<td>27.3</td>
</tr>
<tr>
<td>1921</td>
<td>Carpathian Russia</td>
<td>27.7</td>
<td>74.9</td>
<td>25.7</td>
<td>6.5</td>
<td>24.5</td>
</tr>
<tr>
<td>1913</td>
<td>Roumania</td>
<td>2.3</td>
<td>82.3</td>
<td>42.3</td>
<td>7.0</td>
<td>37.9</td>
</tr>
</tbody>
</table>

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 1.7.

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.)

TABLE II.
Comparison of Occupational Distribution of One Hundred Jews and One Hundred Non-Jews

<table>
<thead>
<tr>
<th>Branches of Occupations</th>
<th>Italy 1901</th>
<th>Germany 1901</th>
<th>Austria 1900</th>
<th>Russian Pale 1897</th>
<th>United States 1900</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agriculture</td>
<td>0.5</td>
<td>53.3</td>
<td>13.1</td>
<td>31.1</td>
<td>53.0</td>
</tr>
<tr>
<td>2. Industry</td>
<td>8.7</td>
<td>22.4</td>
<td>21.9</td>
<td>37.4</td>
<td>27.5</td>
</tr>
<tr>
<td>3. Commerce and Transport</td>
<td>50.3</td>
<td>83.5</td>
<td>50.5</td>
<td>51.1</td>
<td>34.4</td>
</tr>
<tr>
<td>4. Servants</td>
<td>0.3</td>
<td>1.4</td>
<td>0.5</td>
<td>1.6</td>
<td>5.2</td>
</tr>
<tr>
<td>5. Professions, Social, and Government</td>
<td>18.7</td>
<td>6.4</td>
<td>6.5</td>
<td>5.1</td>
<td>8.3</td>
</tr>
<tr>
<td>6. Unclassified</td>
<td>21.7</td>
<td>8.2</td>
<td>19.3</td>
<td>11.1</td>
<td>11.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
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 influ-
ential, 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 superficies 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 in-
significant 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 Marxist 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 Marxist 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. 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 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 proletarian, 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.10

10 That Borochov'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. Furmit (Jewish Pioneer, March, 1936).

<table>
<thead>
<tr>
<th>Providers of Labor</th>
<th>1936</th>
<th>%</th>
<th>Dependants</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>25,000</td>
<td>16.1</td>
<td>50,500</td>
<td>15.5</td>
</tr>
<tr>
<td>Building</td>
<td>19,000</td>
<td>13.3</td>
<td>49,600</td>
<td>15.2</td>
</tr>
<tr>
<td>Industry</td>
<td>35,000</td>
<td>24.5</td>
<td>80,500</td>
<td>25.9</td>
</tr>
<tr>
<td>Transport and Transit</td>
<td>8,500</td>
<td>5.9</td>
<td>25,000</td>
<td>8.6</td>
</tr>
<tr>
<td>Liberal Professions</td>
<td>23,500</td>
<td>15.4</td>
<td>31,800</td>
<td>8.3</td>
</tr>
<tr>
<td>Administration and Police</td>
<td>2,000</td>
<td>1.4</td>
<td>5,200</td>
<td>1.4</td>
</tr>
<tr>
<td>Commerce, Housework, Misc.</td>
<td>101,000</td>
<td>70.6</td>
<td>123,400</td>
<td>32.0</td>
</tr>
</tbody>
</table>

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 80-95% 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: 5,136
- Housewives: 4,046
- Working youth: 889

**Jews in agricultural settlement (cooperative colonies):**
- Male workers over 18 years of age: 6,044
- Female workers over 18 years of age: 5,820
- Working youth: 809

**Total of Jews in agricultural settlements:** 32,560

**Jews in cities:**
- Construction: 8,029
- Building materials: 750
- Printers: 1,140
- Quarrymen: 457
- Stone dressers: 179
- Metal and electricity: 4,078
- Woodworkers: 2,794
- Stevedores and other port workers: 2,140
- Railway, postal and telegraph: 409
- Leather workers: 655
- Weavers: 795
- Needle workers: 1,266
- Bakers: 1,677
- Printing and paper boxes: 1,930
- Various factors: 2,222
- Restaurant and hotel: 1,002
- Domestic services: 1,633
- Clerks: 4,095
- Art workers: 220
- Janitors, guards, policemen: 420
- Engineers and technicians: 502
- Teachers and kindergartens: 217
- Medical workers: 1,835
- Agricultural workers and gardeners: 602
- Housewives: 15,704
- Working youth: 7,751

**Unclassified:** 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) mocked the Poale Zion and heaped ridicule upon our thoughts and actions. But contemporary life has demonstrated the correctness of our

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1. An uncompleted manuscript written sometime before the World War under the title, “What Can Be Done to Check Discrimination.”
2. The General Jewish Workers’ Alliance, the Bund, was organized in 1901. 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 it 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 main tenet from which it has not deviated to this date is that the Jewish problem must necessarily await the advent of messianic 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 Berchov.

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.