

The Keren Kayemet, in fact, went so far as to impose a penalty on any Jewish owner attempting to employ an Arab worker. Article 23 of the lease stipulates:

The lessee undertakes to execute all works connected with the cultivation of the holding only with Jewish labour. Failure to comply with this duty by the employment of non-Jewish labour shall render the lessee liable to the payment of a compensation of ten Palestinian pounds for each default.....Where the lessee has contravened the provisions of this Article three times, the Fund may apply the right of restitution of the holding, without paying any compensation whatever. (28)

It is important to point out here that the Zionist exclusivist policies were formally supported by the British government. The debate which ensued in the House of Lords around these policies resolved the following:

The acquirement of large tracts of land in Palestine on inalienable trusts by Jewish bodies should be allowed; and 2) conditions should be allowed to be inserted in leases or tenancy agreements from such bodies preventing any but Jewish labour on lands comprised in such leases or tenancy agreements. (29)

Data above suggest that, neither the Moshavs or the Kibbutzim were prohibited, in principle, from exploiting hired labour. What they were forbidden to do is hire non-Jewish or Arab labour.

The dispelling of these two major misconceptions is fundamental for understanding the true nature of these settlements. There were inherent contradictions within the structure of the Jewish co-operatives. While these contradictions surfaced early on in the case of the Moshav, for reasons to be discussed later, they took longer to emerge within the Kibbutz enterprise.